



# **Contractor Cost Data Reporting (CCDR) Manual**

DRAFT  
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## FOREWORD

This Manual, DoD 5000.4-M-1, is issued under the authority of DoD Directive 5000.4, “Cost Analysis Improvement Group (CAIG)” (reference (a)). It revises and replaces DoD 5000.4-M-1, “Contractor Cost Data Reporting (CCDR) Manual,” April 1999 (hereby canceled) and serves as the primary guide for the development, implementation, and operation of the CCDR system.

The Manual provides background information and detailed guidance to implement the mandatory CCDR policies established in DoD Directive 5000.4 (reference (a)) and DoD 5000.4-M, “Cost Analysis Guidance and Procedures” (reference (b)). It also incorporates recent changes to DoD Instruction 5000.2, “Operation of the Defense Acquisition System” (reference (c)), and the policy documents listed above, all of which are summarized in Chapter 2.

The Manual prescribes specific policies, procedures, and instructions that government stakeholders in the CCDR process must follow. It also indicates the reporting provisions the stakeholders must include in contractual documents where appropriate.

The guidance in the Manual applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter referred to collectively as “DoD Components”).

While the Manual itself is not contractually binding, it is considered to contain mandatory guidance when referenced or included in contracts such as the Contract Data Requirements List (CDRL) and the Data Item Descriptions (DIDs). By following the guidance in the Manual, you ensure the necessary CCDR data are accurate and consistent and quickly made available to DoD cost estimators.

Refer any questions, comments, or suggestions about the Manual to the Defense Cost and Resource Center (DCARC) by telephone (703-602-3301/3169), by fax (703-602-8944), or via the DCARC Web site (<http://dcarc.pae.osd.mil>).

Director  
Program Analysis and Evaluation



## SUMMARY OF SUBSTANTIVE CHANGES

The list below summarizes the substantive changes made to this edition of the CCDR Manual:

1. Incorporated provisions from the new DoD D 5000.1 and DoDI 5000.2 and deleted those from the now cancelled DoD 5000.2-R. This included raising the dollar thresholds for CCDR reporting to FY 2002 constant dollars.
2. Revised language throughout the Manual to require rather than recommend policies and procedures.
3. Added specific CCDR responsibilities by major stakeholders (e.g., CAIG, Service Cost Centers, and reporting contractors).
4. Changed references to the Contractor Cost Data Reporting Project Office (CCDR-PO) and its Web site to the Defense Cost and Resource Center (DCARC) and its Web site, <http://dcarc.pae.osd.mil>.
5. Deleted exemption for ship construction from CCDR reporting.
6. Renamed DD Form 2794, "Cost Data Reporting Plan" to "Cost and Software Data Reporting (CSDR) Plan." The form was revised to include the new Software Resources Data Report (SRDR) and changes to how reporting frequency are shown. The contract CSDR Plan requires both the Contract Work Breakdown Structure (CWBS) element code and the related Program Work Breakdown Structure (PWBS) element code. Added the requirement for the DoD Program Manager (PM) to provide in the program CSDR Plan the name and address of any associate contractors and subcontractors who potentially will meet the CCDR reporting thresholds along with the specific Work Breakdown Structure (WBS) elements they are responsible for. PM must also identify the specific characteristics (e.g., weight, range, and speed) for each prime associate, and subcontractor that meets reporting thresholds.
7. Added a requirement to report equivalent units completed to date on DD Form 1921. Also added a requirement to breakout quantities on research and development contracts to show items produced for delivery to the customer and the number of items produced for internal contractor use.
8. Consolidated DD Form 1921-1, "Functional Cost-Hour Report," and DD Form 1921-2, "Progress Curve Report," into one report format, DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report." Added a requirement to report equivalent units completed to date and quantities at completion. Also added a requirement to breakout quantities on research and development contracts to show items produced for delivery to the customer and the number of items produced for internal contractor use.

9. Replaced DD Form 1921-3, "Plant-Wide Data Report" with requirements to report Forward Pricing Rate (FPR) data.
10. Included detailed contractor reporting instructions for Contractor Cost Data Reports (CCDRs) in the Data Item Descriptions (DIDs) and moved them to Appendix 1.
11. Deleted Chapter 5, Cost Data Element Definitions, and transferred the information to the appropriate DIDs, now in Appendix 1.
12. Made new report formats and electronic reporting effective October 1, 2003.
13. Included a requirement for subcontractors to report directly to DCARC.
14. Changed references to the Central Repository System (CRS) to the Defense Automated Cost Information Management System (DACIMS) and rewrote Chapter 6 (now Chapter 5) to clearly describe DACIMS, its stakeholders (users), and its uses.
15. Added requirement to the Contract Work Breakdown Structure Data Item Description that contractors maintain and update the dictionary for the life of the contract.
16. Deleted appendices for History of CCDR Development, old formats and reporting instructions, and the special instructions for the Airframe Reporting Element on DD Form 1921-1 (now included in the DID).

## TABLE OF CONTENTS

Foreword.....	1
Summary of Substantive Changes.....	3
Table of Contents .....	5
References .....	7
Definitions .....	9
Abbreviations .....	17
C1. INTRODUCTION .....	19
C1.1. Why a CCDR System? .....	19
C1.2. CCDR Components .....	21
C2. CONTRACTOR COST DATA REPORTING (CCDR) REQUIREMENTS .....	23
C2.1. Introduction .....	23
C2.2. Purpose .....	23
C2.3. General Organizational Responsibilities .....	24
C2.4. System Components .....	24
C2.5. Mandatory Policies .....	25
C2.6. Mandatory Processing Requirements .....	26
C2.7. Specific Policy and Processing Responsibilities .....	30
C2.8. Other Guidance .....	35
C3. DoD PLANNING AND CONTRACTING .....	37
C3.1. Introduction .....	37
C3.2. Procedures .....	40
C3.3. Placing CCDR Requirements on Contract .....	42
C4. CONTRACTOR GUIDANCE .....	47
C4.1. General Applications .....	47
C4.2. General Guidelines .....	48
C4.3. Contractor Cost Data Reports (CCDRs).....	49
C5. DEFENSE AUTOMATED COST INFORMATION MANAGEMENT SYSTEM.....	51
C5.1. General Description .....	51
C5.2. DACIMS Stakeholders.....	52
C5.3. Registering for Access to DACIMS Data .....	53
C5.4. Preparing CCDRs .....	55
C5.5. Submitting CCDRs .....	56
C5.6. Accepting CCDRs .....	56
C5.7. Viewing and Downloading CCDRs .....	57

## APPENDIX

AP1. DD FORMS AND DATA ITEM DESCRIPTIONS .....	59
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### LIST OF FIGURES

C2.F1. Developing the CCDR Program and Contract Plans .....	27
C2.F2. Executing the CCDR Program Plan.....	28
C3.F3. DD Form 2794, “Cost and Software Data Reporting Plan” .....	38
C3.F4. Example of DD Form 1423-1, “Contract Data Requirements List,” for DD Form 1921, “Cost Data Summary Report” .....	44
C3.F5. Example of DD Form 1423-1, “Contract Data Requirements List,” for DD Form 1921-1, “Functional Cost-Hour and Progress Curve Report” .....	45
C3.F6. Example of DD Form 1423-1, “Contract Data Requirements List,” for the Contract Work Breakdown Structure.....	46
C5C5.F7. DACIMS Architecture.....	51
C5C5.F8. Capabilities and Flow of the DACIMS Pre-processor .....	55
AP3.F9. DD Form 1921, “Cost Data Summary Report” .....	60
AP3.F10. DD Form 1921-1, “Functional Cost-Hour and Progress Curve Report” .....	69
AP3.F11. Contract Work Breakdown Structure Index .....	93
AP3.F12. Contract Work Breakdown Structure Dictionary .....	94



## REFERENCES

- (a) DoD Directive 5000.4, “Cost Analysis Improvement Group (CAIG).” November 24, 1992 (Administrative Reissuance Incorporating Change 1, November 16, 1994)
- (b) DoD 5000.4-M, “Cost Analysis Guidance and Procedures,” December 11, 1992
- (c) DoD Instruction 5000.2, “Operation of the Defense Acquisition System.” May 12, 2003
- (d) Military Handbook 881, “Work Breakdown Structures for Defense Materiel Items.” January 2, 1998<sup>1</sup>
- (e) DoD Directive 5000.1, “The Defense Acquisition System.” May 12, 2003
- (f) Defense Contract Audit Agency (DCAA) Manual (DCAAM) 7640.1M, “DCAA Contract Audit Manual.” Volume 2, January 2003<sup>2</sup>
- (g) DoD 5000.4-M-2, “Software Resources Data Report Manual,” forthcoming.

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<sup>1</sup> Document is available at the DCARC Web site (<http://dcarc.paeosd.mil>).

<sup>2</sup> Document is available at the DCAA Web site (<http://www.dcaa.mil>)



## DEFINITIONS

DL1.1.1. Acquisition Program. A directed, funded effort designed to provide a new, improved, or continuing materiel, weapon or information system, capability, or service in response to a validated operational or business need. Acquisition programs are divided into categories, which are established to facilitate decentralized decision-making, execution, and compliance with statutory requirements.

DL1.1.2. Actual Cost. The cost sustained in fact, on the basis of costs incurred, as opposed to a standard, predetermined, or estimated cost. Actual costs to date include cost of direct labor, direct material, and other direct charges specifically identified to appropriate control accounts as incurred, and any overhead costs and general administrative expenses allocated to control accounts.

DL1.1.3. Actuals. The labor hours, material costs, and other costs expended on a program unit or item through a specific period of time.

DL1.1.4. Block. A block of units refers to a group of similarly configured items. A block may be all the units in a single lot, one of several blocks within a given lot, or two or more lots.

DL1.1.5. Equivalent Units. Represent the total of completed units plus work completed on partially completed units translated into an equivalent number of totally completed units.

DL1.1.6. Facilities Cost of Money. An imputed cost determined by applying a cost-of-money rate to facilities capital employed in contract performance. Capital employed is determined without regard to whether its source is equity or borrowed capital. The resulting cost of money is not a form of interest on borrowing.

DL1.1.7. Fee. In special cost-reimbursement pricing arrangements, an agreed-to amount beyond the initial estimate of costs. In most instances, fee reflects a variety of factors, including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed fee arrangement, or it may vary (within a contractually specified range) during performance, as in a cost-plus-incentive-fee arrangement.

DL1.1.8. General and Administrative (G&A). Indirect expenses related to the overall management and administration of the contractor's business unit, including the following: a company's general and executive offices; the cost of staff services such as legal, accounting, public relations, financial and similar expenses; and other general expenses. G&A is also a generic term used to describe expenses whose beneficial or causal relationship to cost objectives cannot be more accurately assigned to overhead areas for engineering, manufacturing, material, and so on.

DL1.1.9. High-Risk Item. A selected Work Breakdown Structure (WBS) element that the Cost Working-Level Integrated Product Team (CWIPT) designates as being of higher-than-average risk in terms of cost, schedule, or technical performance. Key considerations in designating high-risk items are the importance of the cost drivers associated with them and the needed visibility into lower-level elements for future cost evaluations.

DL1.1.10. High-Technical-Interest Item. A selected WBS element that the CWIPT designates as having important technical consequences on a specific contract or program or on future contracts or programs (e.g., use of composites or introduction of a new production technology).

DL1.1.11. High-Value Item. A selected WBS element that constitutes 10 percent or more of total contract costs or that the CWIPT designates as being an important contributor to the system's overall cost. For example, the selected element may not meet the 10 percent contract criteria, but it still may be an important element over the life of the entire program or in estimating future programs.

DL1.1.12. Indirect Cost. An item of cost incurred for common or joint objectives that cannot be identified specifically with a single final cost objective (e.g., contract, product, services, program, function, or project) and is therefore not readily subject to treatment as a direct cost. Indirect cost is often used synonymously with overhead costs.

DL1.1.13. Indirect Labor. All labor costs classified as indirect except those related to building and equipment maintenance and future business.

DL1.1.14. Letter Contract. A preliminary contract, with or without a tentative price or specific amount agreed to and containing any other basic terms agreed to at the time. A letter contract authorizes the contractor to commence work, incur costs, and make commitments pending negotiation and execution of the definitive contract. It obligates the customer to make either a definitive contract within a specified time, or to reimburse the contractor for costs incurred under the letter contract. The letter contract is superseded as soon as possible by a definitive contract.

DL1.1.15. Lot. A contractual group consisting of two or more units (e.g., unit number through unit number). A lot typically represents the quantity purchased in a single fiscal year (FY); however, a given FY buy may be subdivided into two or more lots if contractually preferable. Similarly, a lot is usually related to one contract but may be associated with two or more contracts.

DL1.1.16. Management Reserve. The amount of the total allocated budget that is held back for management control and risk purposes at the total contract level rather than designated for the accomplishment of specific tasks.

DL1.1.17. Manufacturing. The effort and costs expended in the fabrication, assembly, and functional testing of a product or end item. It involves all the processes necessary to convert a raw material into finished items.

DL1.1.18. Manufacturing Labor. Direct labor performed on the end item or product, including labor to make the parts used in the finished product and to perform functional testing. Manufacturing labor normally covers fabrication, assembly, and manufacturing support activities. It may also include tooling and quality control labor.

DL1.1.19. Material. Items that are raw, crude, or partially processed material or components that have not yet been made into a definite functional item or configuration. As a cost element, material consists of raw materials, purchased parts and equipment, subcontract items, and outside production items. In operating terms, material includes the components, parts, assemblies, and supplies used in operations and maintenance.

DL1.1.20. Material (Engineering). Material within the Engineering functional category that represents the cost of raw materials and purchased parts (e.g., printed circuit boards) evaluated or consumed in the performance of the Engineering functional category for the specified reporting element. Also included are engineering test and similar equipment (i.e., oscilloscopes, transducers, recorders, radio transmitters, converters, discriminators, and receivers) required to accomplish the Engineering function.

DL1.1.21. Material Overhead. The portion of indirect costs attributable to procured or subcontracted products, including the cost of purchasing, expediting, and storing materials, parts, equipment, and assemblies.

DL1.1.22. Materials and Purchased Parts (Manufacturing). The costs of raw and semi-fabricated material plus purchased parts used in the manufacture of the specified reporting element. The purchased parts are essentially off-the-shelf items widely used in industry and supplied by a specialized manufacturer who has the proprietary right to the product. The following are examples of materials and purchased parts: raw materials in typically purchased forms and shapes (sheets, bars, rods, etc.); semi-fabricated materials in typically purchased forms and shapes (wires, cables, fabrics, conduits, tubing, sealing strips, fiberglass, windshield glass, etc.); raw castings and forgings; manufactured proprietary clips, fasteners, hose clamps and assemblies, and seat belts; standard and proprietary valves, cocks, and hydraulic and plumbing fittings and fixtures; and standard electrical fittings (conforming to underwriters and other standard specifications). Purchased parts are distinguished from purchased equipment by cost and complexity.

DL1.1.23. Materials and Purchased Tools (Tooling). The costs of the new (basic, processed, or semi-fabricated) material used in the manufacture of dies, jigs, fixtures, gauges, handling equipment, work platform, and test equipment for fabrication and testing. Also included are the costs of tools the reporting contractor normally purchases, such as special welding heads, X-ray heads, attaching fixtures, control panels, and consoles, that require negligible in-house effort to assemble into the final tool configuration.

DL1.1.24. Mock-Up. A partial or full-scale replica of an article or its components, usually constructed of cheaper materials than required in the finished product. A mock-up is used to provide physical interfaces between structure and various electronic, hydraulic, pneumatic, electrical, and similar systems.

DL1.1.25. Nonrecurring Costs. Elements of development and investment costs that generally occur only once in the life cycle of a system. Such costs are often found in engineering, system test, tooling, and pre-production activities, and also include basic design and development through first release of engineering drawings and data, all system and subsystem test activities (except end item acceptance testing), configuration audits, qualification testing, technical publications through initial release, basic tool and production planning through initial release, all basic tooling, engineering models, partially built units for development or test purposes only, units not built to operational configuration, and specialized work force training.

DL1.1.26. Nonreporting Subcontractor. A company that has a subcontract without CCDR reporting requirements with a company whose prime contract contains CCDR reporting requirements.

DL1.1.27. Other Costs Not Shown Elsewhere. Direct costs not allocated to the categories of Engineering, Tooling, Quality Control, Manufacturing, Purchased Equipment, and Material Overhead. Costs may include such items as security, royalty, license fees, transportation, preservation, packaging, and any applicable Federal excise tax.

DL1.1.28. Other Direct Charges (Engineering). Direct costs of travel, per diem, shift and overtime premiums, automatic data processing, reproduction of printed material, rental of special test facilities and equipment, and other engineering items not allocated to the categories of Direct Labor, Overhead, and Material.

DL1.1.29. Other Direct Charges (Manufacturing). Direct costs of travel, per diem, fire and extended coverage insurance, shift and overtime premiums, rental of special facilities and equipment, shipping, and transportation for items sent or returned to subcontractors, extraordinary expenses associated with operating off-site test bases, and other manufacturing costs not allocated to the categories of Direct Labor, Overhead, and Materials and Purchased Parts.

DL1.1.30. Other Direct Charges (Quality Control). Direct costs of travel, per diem, shift and overtime premiums, automatic data processing, reproduction of printed material, and other quality control items not allocated to the categories of Direct Labor and Overhead. Material and test equipment may not be included in this category. Instead, they may be included as Materials and Purchased Parts.

DL1.1.31. Other Direct Charges (Tooling). Direct costs of travel, per diem shift premium, overtime, premiums, rental of equipment, and other tooling items not allocated

to the categories of Tooling, Direct Labor, Material, Overhead, or Purchased Tools for the reporting element.

DL1.1.32. Outside Production. A special category of subcontracts for Airframe the prime contractor is to fill out for all subcontracts not reporting separately to Department of Defense. Distribute all subcontracts for Airframe by function in Outside Production and Services, either among all categories or as purchased equipment. The following guidelines apply (even when make-or-buy decisions change during contract execution): (1) all subcontracts for items or services normally produced or performed in airframe plants must be distributed as appropriate among all functional categories of cost whether the particular contractor makes or buys the items; (2) all subcontracts for items falling within the definition of Purchased Equipment as described by the special instructions for reporting Airframe in Appendix 1 must be included as purchased equipment whether the particular contractors make or buy the items; and (3) final entries must be included with the subcontractor's G&A and profit or fee.

DL1.1.33. Overhead. All indirect costs, except General and Administrative expenses, that are properly chargeable for the specified reporting element. (See Indirect Costs.)

DL1.1.34. Production Program. Includes all activities related to the fabrication, assembly, and delivery of a system in specified quantities of useable end items, support equipment, training, data, modifications, and spares. Other production activities include: revision of final manufacturing drawings resulting from, qualification testing or for incorporation of different manufacturing methods, manufacture or procurement of production tooling, full production of all components, subsystems, and systems to include in-house manufacture and subcontracted parts and equipment, and acceptance testing.

DL1.1.35. Profit (Contract). Covers both profit and fee. Target profit or profit as stated in a fixed price type contract (Firm Fixed Price, Fixed Price Incentive). In a cost form of contract (Cost Plus Fixed Fee, Cost Plus Incentive Fee) it is called Fee.

DL1.1.36. Profit or Fee. Profit is the excess of revenues over expenses in fixed-price contracts. In special cost-reimbursement pricing arrangements, fee is a form of profit representing an agreed-to amount beyond the initial estimate of costs that reflects a variety of factors, including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed-fee arrangement, or may vary (within a contractually specified minimum-maximum range) during performance, as in a cost-plus-incentive-fee arrangement.

DL1.1.37. Purchased Equipment. Manufactured and assembled items the contractor procures from outside sources that are required for installation in the reporting element. Such equipment normally costs over \$1,000 per unit and exhibits a wide range of complexity. Examples of purchased equipment for large weapon systems are multipurpose hydraulic and pneumatic pumps, motors, generators, air conditioning equipment, batteries, landing gear, instruments, pedestals, and so on. Where the reporting contractor specifically controls the design of such equipment for the unique requirements

of the WBS element, purchased equipment is considered as subcontracted and reported. Subcontracts for items falling within the definition of Purchased Equipment as described by the special instructions for reporting Airframe in Appendix 1 must be included as purchased equipment whether the particular contractor makes or buys the items.

DL1.1.38. Quality Control. Activities that check, physically inspect, measure, and test the product. Quality control efforts typically focus on manufacturing, shops, receiving and shipping, and records that are necessary to assure that hardware, end items, parts, components, processes, and tests are being fabricated, assembled, and tested in accordance with engineering drawings and specifications.

DL1.1.39. Recurring Costs. Repetitive elements of development and investment costs that may vary with the quantity being produced during any program phase. For example, during the development phase, repetitive production-like costs incurred when producing prototype and test units are considered recurring costs. Recurring costs include the following: engineering required for redesign, modifications, reliability, maintainability, and associated evaluation and liaison; complete reporting elements produced either for test or for operational use; tool maintenance, modification, rework, and replacement; training all Service personnel to operate and maintain equipment; and reproduction and updating of technical data and manuals.

DL1.1.40. Reporting Element. A defined task or item that collects data. A total contract, element(s) of a Work Breakdown Structure as defined in Military Handbook 881 (MIL-HDBK-881), "Work Breakdown Structures for Defense Materiel Items, January 2, 1988 (reference (d)), G&A, miscellaneous items, and profit or fee are examples of reporting elements.

DL1.1.41. Software Cost. Software is the set of computer programs and accompanying documentation developed under a given contract. Development activities include specifying software requirements, design, coding, testing, and integration. Software cost includes the internal cost of developing and documenting lines of code for both original programs and modifications to existing software (contractor-developed, government-furnished, or commercial). The cost of commercial software may also be included if delivered to and paid for by the government. Software costs do not include the cost of any contractor infrastructure software used to support other development (e.g., compilers, editors, and operating systems) that is not part of the deliverable.

DL1.1.42. Subcontract. Any agreement, purchase order, or instrument other than a prime contract calling for work or for the material required for the performance of one or more prime contracts. It usually covers procurement of major components or subsystems that require the subcontractor to do extensive design, development, engineering, and testing to meet a prime contractor's procurement specifications. A company that has a subcontract without CCDR reporting requirements with a company whose prime contract contains CCDR reporting requirements is referred to as a nonreporting subcontractor.



DL1.1.43. Tooling. The original equipment and manufacturing aids a contractor acquires, manufactures, or replaces in the performance of a contract. Examples include jigs, dies, fixtures, molds, patterns, and special gauges. These tools, sometimes called special tools, are of such a specialized nature that their use is limited to the production of supplies or parts or the performance of services that are particular to the needs of the customer. In military business the “title” for tooling resides with the customer; in commercial practice the “title” resides with the contractor. Tooling costs may also be subdivided into recurring and nonrecurring components. Nonrecurring tooling costs consist of all design and development costs through initial release of basic tooling. Recurring tooling costs are generally related to sustaining tooling that involves the maintenance repair, modification and replacement of basic tooling following initial release.

DL1.1.44. Undistributed Budget. The portion of the budget applicable to program effort that has not yet been allocated to control account budgets or to management reserve.

DL1.1.45. Unit. Individual reporting by unit number (e.g., tail number for aircraft). Such reporting is generally prescribed when specific characteristics, measurements, or other specific data are required of individual units (e.g., weight of an aircraft).



## ABBREVIATIONS

ACAT	Acquisition Category
ACO	Administrative Contracting Officer
AOA	Analysis of Alternatives
ASSIST	Acquisition Streamlining and Standardized Information System
CAE	Component Acquisition Executive
CAIG	Cost Analysis Improvement Group
CAIV	Cost as an Independent Variable
CARD	Cost Analysis Requirements Description
CCA	Component Cost Analysis
CCDR	Contractor Cost Data Reporting
CCDR-PO	Contractor Cost Data Reporting Project Office
CCDRs	Contractor Cost Data Reports
CDRL	Contract Data Requirements List
CPAF	Cost Plus Award Fee
CPFF	Cost Plus Fixed Fee
CPIF	Cost Plus Incentive Fee
CPIF/AF	Cost Plus Incentive Fee/Award Fee
CRS	Central Repository System
CS	Cost Sharing
CSDR	Cost and Software Data Reporting
CWBS	Contract Work Breakdown Structure
CWIPT	Cost Working-Level Integrated Product Team
DAB	Defense Acquisition Board
DACIMS	Defense Automated Cost Information Management System
DCAA	Defense Contract Audit Agency
DCAAM	Defense Contract Audit Agency Manual
DCARC	Defense Cost and Resource Center
DCMA	Defense Contract Management Agency
DID	Data Item Description
DoD	Department of Defense
DSARC	Defense Systems Acquisition Review Council
DUNS	Dun and Bradstreet's Universal Numbering System
EAC	Estimate At Completion
EDI	Electronic Data Interchange
FAR	Federal Acquisition Regulation
FCP/RPR	Fixed Ceiling Price with Retroactive Price Determination
FFP	Firm Fixed Price
FFP/LOET	Firm Fixed Price, Level of Effort Term
FFRDC	Federally Funded Research and Development Center
FICA	Federal Insurance Contribution Act
FP/AF	Fixed Price with Award Fee
FP/EPA	Fixed Price with Economic Price Adjustment
FP/PRD	Fixed Price with Prospective Price Redetermination
FP/RPD	Fixed Price with Retroactive Price Determination

FPIF	Fixed Price Incentive Fee
FPIS	Fixed Price Incentive Successive
FPR	Forward Pricing Rate
FPRA	Forward Pricing Rate Agreement
FPRR	Forward Pricing Rate Recommendation
FY	Fiscal Year
G&A	General and Administrative
GUI	Graphical User Interface
IBR	Independent Baseline Review
ICE	Independent Cost Estimate
IR	Infrared
LC	Letter Contract
MD	Materiel Developers
MDAP	Major Defense Acquisition Program
MIL-HDBK	Military Handbook
MIL-STD	Military Standard
MYP	Multi-Year Procurement
NCCA	Naval Center for Cost Analysis
NDA	Non-Disclosure Agreement
OIPT	Overarching Integrated Product Team
OJT	On-the-Job Training
OMB	Office of Management and Budget
OSD	Office of the Secretary of Defense
PA&E	Program Analysis and Evaluation
PCO	Procuring Contracting Officer
PKI	Public Key Infrastructure
PM	Program Manager
POC	Point of Contact
POE	Program Office Estimate
PWBS	Program Work Breakdown Structure
R&D	Research and Development
RDT&E	Research, Development, Test and Evaluation
RFP	Request For Proposal
RGP	Rate Gyro Package
S/MIME	Secure/Multipurpose Internet Mail Extensions
SAR	Selected Acquisition Report
SEA	Seeker Electronics Assembly
SRDR	Software Resources Data Report
SSL	Secured Socket Layer
TIF	Tagged Image File
WBS	Work Breakdown Structure
WIP	Work-In-Process
XML	Extensible Markup Language

## C1. CHAPTER 1

### INTRODUCTION

The Contractor Cost Data Reporting (CCDR) system, as it exists today, is the product of over 50 years of events and decisions within the defense community that have affected the quality and utility of the data it contains. This Manual, developed jointly by the Office of the Secretary of Defense (OSD) and the Services with industry participation, serves as the primary source of information about operation and use of the CCDR system. This revision to the Manual results largely from the ongoing joint efforts of DoD and industry stakeholders under the leadership of the Defense Cost and Resource Center (DCARC) to reengineer the CCDR system. Their focus was on improving the quality, utility, and availability of the data for cost-estimating purposes. At the same time, they tried to streamline reporting to minimize the burden on DoD contractors who prepare CCDR reports. This revision also incorporates changes made in DoD Directive 5000.1, “The Defense Acquisition System” (reference (e)), and DoD Instruction 5000.2, “Operation of the Defense Acquisition System (reference (c)).

The Manual restates mandatory guidance found in reference (c) and contains CCDR requirements and instructions for contractors, program offices, and other stakeholders to facilitate CSDR planning and reporting. This Manual also ensures that contract planning is adequate and that appropriate contractual language is used to make the intended reporting requirements contractually binding.

#### C1.1. WHY A CCDR SYSTEM?

C1.1.1. A system for accumulating actual contractor costs is necessary for the DoD to analyze costs efficiently and effectively. Actual cost experiences on past and current acquisition programs form the bases of projections of the costs of future systems. There are no alternatives to this practice. When defense cost analysts are faced with projecting future costs, they need to get actual costs (or “actuals”) one way or another. Furthermore, the need for actuals has increased with the flow of new challenges presented to defense cost analysts, particularly in terms of changing budget and military weapon system requirements.

C1.1.2. More than 40 years ago, the Department of Defense committed to systematically collect actual costs rather than relying on ad hoc, unmanaged, inefficient methods. Building on its predecessors, the CCDR is the current DoD collection system for actual costs. This collection system is intended to feed DoD’s cost analysis database that is expected to service all DoD cost analysis and program management offices.

C1.1.3. If the Department of Defense reverted to ad hoc, unmanaged collection of actuals, the overall costs of performing cost analysis within DoD could be expected to rise substantially. The undesirable effects would include the following: limited application with nonstandard data focus; uncoordinated, inefficient, and duplicative collection activities; lower productivity in cost analysis offices; more disruption of contractor activities; increased cost to obtain actuals; fragmented data in nonstandard

form; inability to identify previously collected data; and inability to easily gain access to data.

C1.1.4. The main purpose of the CCDR system is to serve as the primary contract cost database for most DoD cost-estimating efforts. All DoD Components shall use the CCDR system to do the following:

C1.1.4.1. Prepare program cost estimates for major system acquisitions reviewed by the Defense Acquisition Board (DAB) and the Component Acquisition Executive (CAE). The database supports the cost-estimating requirements for programs for which the DoD Components are responsible. The database is intended primarily to support development of parametric estimating models for use in deriving independent cost estimates. This purpose refers to the activities of cost analysis organizations that prepare cost estimates for major weapon systems that ultimately are presented to the DAB and CAE at system milestone reviews. These estimates include Program Office Estimates (POEs) prepared by or for system Program Managers in the Military Departments, Component Cost Analyses (CCAs) prepared by Service organizations other than the program offices (usually Service cost centers or agencies), and Independent Cost Estimates (ICEs) prepared mainly by Service cost centers and the Cost Analysis Improvement Group (CAIG) in the Office of the Director, Program Analysis and Evaluation (PA&E) in OSD.

C1.1.4.2. Develop independent government contract cost estimates in support of cost and price analyses. The CCDR database can be used to estimate future contract costs.

C1.1.4.3. Develop estimates to support Analysis of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts.

C1.1.5. The nature of these estimates differ substantially depending on the point in time the estimate is made, where time is measured in terms of the life of the acquisition program. Early in a program's life (Milestone A, Entry into the Concept and Technology Development Phase), a weapon system is usually described broadly in terms of its performance characteristics (e.g., range, speed, payload, etc.). At such times, few technical details are firmly established. At this point, cost estimates are usually derived at the weapon system flyaway/rollaway level<sup>7</sup> using methods that use performance characteristics as independent variables. These methods are usually referred to as parametric estimating.

C1.1.6. The CCDR system addresses the need for cost estimates during contracting, particularly for the system development and demonstration, production, and deployment phases of an acquisition. During contracting, more is known about the physical and

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<sup>7</sup> Flyaway/rollaway includes three of the level 2 WBS elements in Military Handbook 881 (reference (d)) (prime mission equipment, system engineering/program management, and system test and evaluation). The remaining level 2 elements (training, common support equipment, peculiar support equipment, data, operational site activation, initial spares, and facilities) are excluded.

technical characteristics of the system. Armed with more detailed descriptions of the system and its component parts, cost analysts rely on cost-estimating relationships (CERs), methods that relate physical and technical characteristics to cost as well as engineering build-up methods. In developing such estimates, weapon systems are described in terms of program and contract Work Breakdown Structures (WBSs). Separate estimates are usually prepared for individual WBS elements, some of which correspond to separate contracts and others to line items in contracts. Estimates of the costs of these elements are intended to aid in contract negotiations. These component estimates are then combined with other data to arrive at a system-level estimate.

## C1.2. CCDR COMPONENTS

The main components of the CCDR system are the Cost and Software Data Reporting (CSDR) Plan and two reports. These components are described in the following paragraphs. Beginning October 1, 2003, DD Form 1921-1, "Functional Cost-Hour Report," and DD Form 1921-2, "Progress Curve Report," shall be consolidated into one report. Use of the new DD Form 1921-1 "Functional Cost-Hour and Progress Curve Report," is mandatory for all new contracts signed after October 1, 2003; its use is optional for all existing contracts.

C1.2.1. DD Form 2794, "Cost and Software Data Reporting Plan." This form specifies the type and level of reporting by WBS element, identifies the specific report to be used, and shows reporting frequency. DD Form 2794 is referred to as the CSDR Plan.

C1.2.2. DD Form 1921, "Cost Data Summary Report." This form is designed to capture all contract WBS elements at the level specified in the CSDR Plan, to include both a recurring and nonrecurring breakout.

C1.2.3. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report." This form focuses on two areas. First, the functional cost-hour section referred to as Part 1 is directed at selected WBS elements where more detailed cost data are needed. The report contains a functional breakout (e.g., engineering and manufacturing) and a cost element breakout (e.g., direct labor and material) within the functional categories. Second, the progress curve section referred to as Part 2 focuses on the lot or unit data for selected WBS elements and captures only recurring costs.





## C2. CHAPTER 2 CONTRACTOR COST DATA REPORTING (CCDR) REQUIREMENTS

### C2.1. INTRODUCTION

C2.1.1. DoD Directive 5000.1, “The Defense Acquisition System,” references (e); and DoD Instruction 5000.2, “Operation of the Defense Acquisition System,” reference (c), provide mandatory policies and procedures for managing acquisition programs, except when statutory requirements override. If there is any conflicting guidance pertaining to contracting, the current edition of the Federal Acquisition Regulation (FAR) or the Defense FAR Supplement takes precedence.

C2.1.2. Reference (e) authorizes publication of reference (c) and establishes policies and principles for all DoD acquisition programs. Reference (c) establishes a simplified and flexible approach for managing all acquisition programs and implements DoD Directive 5000.1. It also makes the Cost Analysis Improvement Group (CAIG) responsible for preparing independent cost estimates on Acquisition Category (ACAT) ID programs and any IC programs requested by the Under Secretary of Defense (Acquisition, Technology, and Logistics). DoD Directive 5000.4, “Cost Analysis Improvement Group (CAIG)” (reference (a)) requires the CAIG “to establish policy guidance on the CCDR System, and to monitor its implementation to ensure consistent and appropriate application throughout the DoD.”

C2.1.3. This chapter provides the purpose of the CCDR system (section C2.2), identifies major organizational responsibilities (C2.3), summarizes the system components (C2.4), describes the mandatory policy (C2.5), processing requirements (C2.6), shows detailed implementation responsibilities by organization (C2.7), and summarizes other related guidance (C2.8).

### C2.2. PURPOSE

C2.2.1. The CCDR system serves as the primary contract cost database for most DoD cost-estimating efforts. It is designed to accumulate data that are necessary for the DoD to analyze costs efficiently and effectively. Actual cost experiences on past and current acquisition programs form the bases of cost projections for future systems. There are no alternatives to collecting actual costs. When defense cost analysts have to project future costs, they need to obtain actual costs (or “actuals”). The CCDR system provides that data in a systematic, consistent, and cost effective manner.

C2.2.2. DoD Components shall use the CCDR system to the maximum extent possible to do the following:

C2.2.2.1 Prepare program cost estimates for major system acquisitions reviewed by the Defense Acquisition Board (DAB) and the Component Acquisition Executive (CAE).

C2.2.2.2. Develop independent government contract cost estimates in support of cost and price analyses.

C2.2.2.3. Develop estimates to support Analysis of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts.

### C2.3. GENERAL ORGANIZATIONAL RESPONSIBILITIES

This section summarizes the overall responsibilities for the key DoD stakeholders in the CCDR process. More detailed policy and processing responsibilities are shown in section C2.7.

C2.3.1. The CAIG Chair is responsible for providing overall CCDR policies for ACAT IC, ID, II, and III programs. The CAIG Chair shall provide specific guidance for and administer all ACAT IC and ID programs.

C2.3.2. The Service cost centers shall provide specific policy and implementation guidance for ACAT II and III programs. The Service cost centers shall administer ACAT II programs, while the Service commodity commands/centers shall administer ACAT III programs.

C2.3.3. DoD Program Managers (PMs) shall prepare and obtain approval for program and contract CSDR plans, shall place approved CSDR plan requirements on contract, and shall ensure that contractors comply with the CCDR contractual provisions.

C2.3.4. The Cost Working-Level Integrated Product Team (CWIPT) shall identify cost analysis requirements for programs and contracts to facilitate the preparation of timely, high quality cost estimates and advises the PM accordingly.

C2.3.5. DCARC shall administer the CCDR system for ACAT ID and IC programs and advise the CAIG Chair on CCDR policies and processing.

C2.3.6. Reporting contractors shall prepare and submit CCDR reports in accordance with their contractual requirements.

### C2.4. SYSTEM COMPONENTS

C2.4.1. The main components of the CCDR system are described in the following paragraphs.

C2.4.1.1. DD Form 2794, “Cost and Software Data Reporting Plan.” This form specifies the work breakdown structure (WBS) elements, the specific report format and the reporting frequency. DD Form 2794, referred to as the Cost Data Plan, shall be prepared in accordance with this chapter.

C2.4.1.2. DD Form 1921, “Cost Data Summary Report.” This form captures all contract WBS elements at the level specified in the CSDR Plan and includes both recurring and nonrecurring breakouts. This form shall be prepared in accordance with data item description (DID) DI-FNCL-81565.

C2.4.1.3. DD Form 1921-1, “Functional Cost-Hour and Progress Curve Report.” Beginning October 1, 2003, the DD Form 1921-1, “Functional Cost-Hour Report,” and DD Form 1921-2, “Progress Curve Report,” will be consolidated into one report. DD Form 1921-1 “Functional Cost-Hour and Progress Curve Report.” This form shall be prepared in accordance with DID DI-FNCL-81566. Use of the new form is mandatory for all new contracts signed after October 1, 2003; its use is optional for all existing contracts and for other contracts awarded before October 1, 2003.

C2.4.1.3.1. Part I of the DD Form 1921-1, referred to as functional cost-hour data, is directed at selected WBS elements where more detailed cost data are needed. It contains a functional breakout (e.g., engineering and manufacturing) and a cost element breakout (e.g., direct labor and material) within functional categories.

C2.4.3.1.2. Part II, referred to as progress curve data, captures recurring costs on lot or unit data for selected WBS elements.

## C2.5. MANDATORY POLICIES

C2.5.1. CCDR reporting and processing requirements shall be determined by ACAT program category (see reference (c) for specific guidelines) and the value of individual contracts and subcontracts within the program. The rules governing contract value are the same for all contracts and subcontracts within all categories except ACAT IA programs, which are currently exempt from CCDR reporting.

C2.5.2. CCDR coverage generally extends from Milestone B or the equivalent to the completion of production in accordance with procedures described in this section. CCDRs are also required on advanced development prototype programs that occur during the Concept and Technology Development phase (pre-Milestone B).

C2.5.3. CCDRs are required on all ACAT ID and IC contracts and subcontracts valued at more than \$50 million (FY 2002 constant dollars). CCDR requirements can be placed on high-risk or high-technical interest contracts that are priced between \$7 million and \$50 million when justified for cost estimating needs. CCDR reporting is not required on contracts priced below \$7 million. These same reporting policies apply to ACAT II and III programs; however, specific program reporting is left to the discretion of the individual Services.

C2.5.4. For ACAT ID and IC programs, all program and contract CSDR plans must be submitted to the DCARC for CAIG Chair approval. Program plans must be approved before issuing a solicitation to industry. Contract plans must be approved before awarding the contract. The plans shall reflect the proposed collection of cost data, by

WBS, for a program and contract. The plans will also identify the specific report required and specify reporting frequency.

C2.5.5. The following policies guide the preparation of the CSDR Plan for all ACAT ID, IC, II, and III programs. The level of detail and frequency of reporting for ACAT II and III programs normally shall be less stringent than the level and frequency applied to ACAT I programs, as specified in the following subparagraphs.

C2.5.5.1. Routine reporting shall be at contract WBS level 3 for prime contractors and subcontractors to include all lower tiers. Only lower-level elements that address areas of a program that are high-risk, high-value, or high technical interest of a program shall require detailed reporting below level 3.

C2.5.5.2. CCDRs are fundamentally a “returned” (or actual) cost reporting system. For production, reporting contractors normally shall submit CCDR reports upon the delivery of each annual lot. For development contracts, reporting contractors typically shall file CCDR reports after such major events as first flight or completion of prototype lot fabrication, before major milestones, and upon contract completion. In general, quarterly, semiannual, and annual reporting requirements do not meet the above guidance.

C2.5.5.3. A copy of the final CSDR Plan approved for the program shall be included in the Cost Analysis Requirements Description (CARD). If the Plan has not yet been approved, include a copy of the proposed draft CSDR Plan as submitted to the DCARC for ACAT ID and IC programs or to the designated Service CCDR focal point if the program is an ACAT II or III program.

C2.5.6. The CSDR planning and reporting process shall remain flexible to accommodate DoD’s preferred evolutionary acquisition strategy to include both spiral and incremental development approaches.

## C2.6. MANDATORY PROCESSING REQUIREMENTS

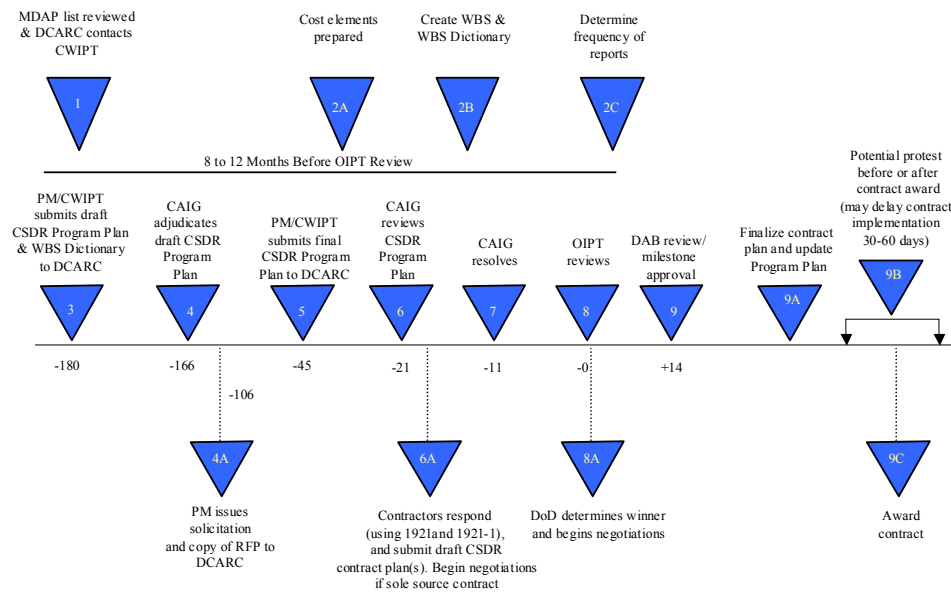
C2.6.1. Processing guidelines are identical for ACAT ID, IC, II, and III programs. The individual Services have the discretion to deviate from those guidelines for ACAT II and III programs; however, no DoD Component shall add mandatory requirements that are greater than those specified for ACAT ID and IC programs.

### C2.6.2. Major CCDR System Activities

C2.6.2.1. The CCDR process typically begins after Milestone A (Concept Decision) during the Concept Refinement and Technology Development phase in preparation for Milestone B (Program Initiation). The process shall be repeated during Phases B, System Development and Demonstration, in preparation for Milestones C, and Phase C, Production and Deployment.

C2.6.2.2. The activities shall be designed to begin reporting estimated costs in response to the solicitation to industry for Phase A contract awards that include advanced prototype development. Phase A contracts without prototype requirements may also have CCDD reporting if proposed and justified in the CSDR Plan approval process. Reporting of actual costs shall begin after award of the Phase A contract.

C2.6.2.3. Figure C2.F1 is a timeline of the major activities that must be followed during the CSDR planning process. Section C2.7 shows specific organizational responsibilities for performing each of the activities.



### C2.F1. Developing the CCDD Program and Contract Plans

C2.6.2.4. Figure C2.F2 is a timeline of the activities that must be followed during the execution of the planning process. Section C2.7 shows specific organizational responsibilities for performing each of the activities.

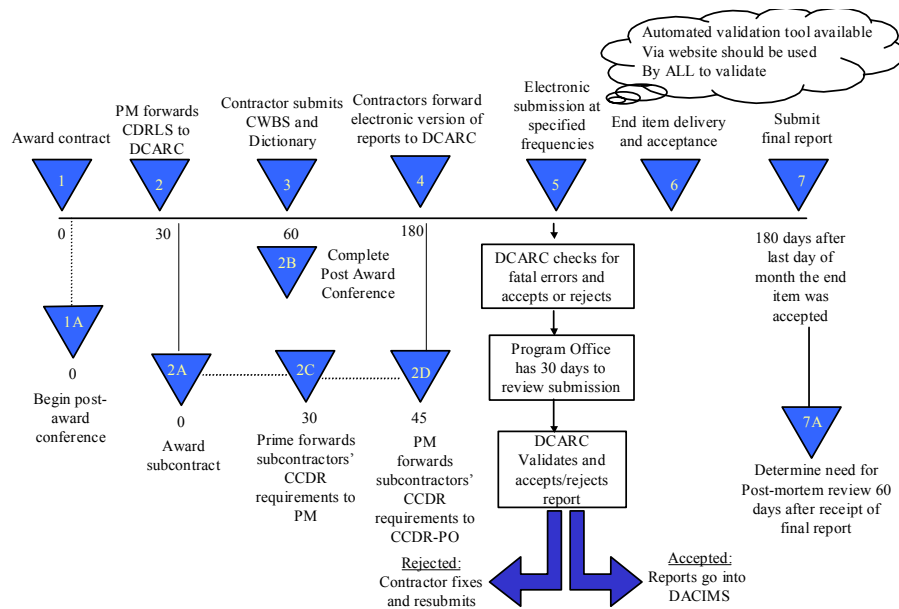


Figure C2.F2. Executing the CSDR Program Plan

C2.6.2.5. The reporting period for development and production contracts shall end 180 days after the end of the month in which the final major end item was delivered and accepted. The 180 days consists of the “as of” date that is 120 days after the month of final delivery and an additional 60 days for submission time.

### C2.6.3. CCDR Processing Components

The requirements associated with each component apply to all contracts and subcontracts within a program.

C2.6.3.1. CSDR Plan. There are two types of cost reporting plans: program and contract (or subcontract). In this document, the term “CSDR Plan” refers to both types. If the information presented involves only one plan, the particular plan type is specified. The plan requires review and approval by the CAIG Chair on all ACAT IC and ID program, contract, and subcontract CSDR Plans and any subsequent changes, including all block changes and contract options, before contract award or modification. For example, if CCDR requirements will change when a contract option is exercised, a revised CSDR Plan shall be submitted for approval prior to award. CSDR Plans shall also be updated to reflect current policy regarding CCDR requirements before any new contract or major modification is made. Beginning October 1, 2003, all new CSDR Plans (program, contract, and subcontract) must be submitted electronically using the templates on the DCARC Web site (<http://dcarc.pae.osd.mil>).

C2.6.3.2. Subcontractor Reporting. For subcontractor reporting, the requirement for the CSDR Plan and any subsequent reporting must be included in the prime contractor’s contract with the subcontractor. Based on the flow down of requirements, the prime and subcontractors shall have identical reporting requirements (report type, frequency, and method of transmission). The contract and subcontract WBS elements are

different but complementary. The subcontractor's reporting requirements must be included in the prime contractor's CSDR Plan. A separate subcontract CSDR Plan shall be prepared and submitted for CAIG approval.

C2.6.3.3. WBS and Dictionary. The WBS is a product-oriented structure composed of hardware, software, services, data, and facilities. This structure shall be closely developed with systems engineering efforts and other area experts, as appropriate, during the acquisition of a defense materiel item. The WBS shall include the WBS Dictionary, which describes each program/contract WBS element throughout the life of the contract. The reporting contractor shall prepare and submit the contract dictionary within 60 days of contract award. The reporting contractor shall maintain and update the WBS Dictionary throughout the life of the contract. The dictionary shall not be submitted more frequently than report submissions.

C2.6.3.4. Contract Types. All contract types require CCDR reporting. However, the PM may request a waiver for selected FFP contracts that were competitively awarded as long as competitive conditions continue to exist. This provision shall apply to all ACAT ID, IC, II, and III programs with CCDR requirements. The CAIG Chair has waiver approval responsibility for ACAT ID and IC programs and the designated Service representative has responsibility for ACAT II and III programs.

C2.6.3.5. Report Formats. DD Form 1921, "Cost Data Summary Report," shall be required on all ACAT ID and IC contracts and subcontracts that meet the dollar-value thresholds specified in paragraph C2.2.2. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," shall apply to the total contract level as well as to the selected WBS elements. Specifically, Part I, Functional Cost-Hour Data, shall apply to selected WBS elements of high risk, high value, or high technical interest. Part II, Progress Curve Data, shall be required on high-risk or -quantity programs from Research and Development (R&D) through LRIP and the first full rate production buy. Part I shall also be required on any element requiring a Part II report.

C2.6.3.6. Reporting Frequency and Due Dates. DD Forms 1921 and 1921-1 that reflect estimated costs shall be marked "initial" and submitted electronically to the DCARC within 180 days of contract award for development contracts and for first full-rate production contracts. Subsequent reports shall be submitted as specified in the contract. The purpose of the initial submission is to ensure reporting consistency with the Contract Data Requirements List (CDRL) and CSDR Plan. Final reports shall be prepared, marked final, and submitted 180 days after the end of the month in which the final major end item was delivered and accepted (or 60 days after the "as of" date). All final reports shall include Estimates At Completion (EACs) for any reported element where actual costs incurred are less than 100 percent of their respective EACs.

C2.6.3.7. CCDR Report Media. All CCDR reports must be submitted electronically. Reports for new or modified ACAT program I contracts, awarded after October 1, 2003, must be submitted as secure email attachments, using a certificate

issued by the DCARC for encryption and digital signature. The reports must use the standard Microsoft Excel template or the CCDR Pre-processor tool.

C2.6.3.7.1. Reports for unmodified contracts awarded before October 1, 2003, which have been submitted via Electronic Data Interchange (EDI) format, may either use the above format, or may continue to use the EDI format (Transaction Set 196, version 4010, of the EDI convention). However, DCARC will work with individual contractors to phase-out EDI reporting. EDI format reports must also be submitted electronically as secure email attachments, using a certificate issued by the DCARC for encryption and digital signature.

C2.6.3.7.2. The Excel template, XML guidance, the Pre-processor tool, and links to request a DCARC certificate and to the current approved convention for Transaction Set 196 are available at the DCARC web site (<http://dcarc.pae.osd.mil>).

C2.6.3.7.3. The DCARC is currently upgrading the Pre-processor tool and developing an EDI/Extensible Markup Language (XML) data exchange. Once complete, this new system will allow secure, direct data input. Upon completion of the system, the DCARC staff will work with individual contractors to establish a migration plan to the new EDI/XML system.

## C2.7. SPECIFIC POLICY AND PROCESSING RESPONSIBILITIES

This section summarizes detailed policy and processing responsibilities by major CCDR stakeholder.

### C2.7.1 CAIG

As noted in section C2.3, the CAIG Chair is responsible for providing overall CCDR policies for ACAT ID, IC, II, and III programs. The CAIG Chair shall also provide specific guidance for and administer ACAT ID and IC programs. More specific responsibilities include the following.

C2.7.1.1. The CAIG Chair must approve all program and contract CSDR Plans and any subsequent changes before issuing a solicitation to industry and awarding the contract, respectively. CAIG approval action must occur within 14 days of plan receipt.

C2.7.1.2. The CAIG Chair can waive CCDR reporting on competitively awarded firm-fixed price contracts on procurement of commercial systems or for noncommercial systems as long as competitive conditions will continue to exist.

### C2.7.2 Service Cost Centers

As noted in section C2.3, the Service Cost Centers shall provide specific policy and implementation guidance for ACAT II and III programs. The Service Cost Centers also shall administer ACAT II programs, while the Service commodity



commands/centers shall administer ACAT III programs. More specific responsibilities include the following.

C2.7.2.1. Service Cost Centers or the designated DoD Component representative shall designate, by title, an official to:

C2.7.2.1.1. Ensure that policies and procedures are established for implementing the CCDR system in accordance with this section, including storage of CCDR data and distribution to appropriate DoD officials.

C2.7.2.1.2. Review all ACAT ID and IC CSDR Plans and Plan changes for compliance with CCDR guidance and submit them to the DCARC for review and submission to the CAIG Chair for approval.

C2.7.2.1.3. Advise the CAIG Chair annually on the status of all CCDR programs, and on delinquent or deficient reporting and remedial action being taken.

C2.7.2.2. Service Cost Centers shall designate a cost analyst to be on the CWIPT for each of their Component programs.

C2.7.2.3. Service Cost Centers shall assess the need for field reviews of programs lower than ACAT I.

### C2.7.3 DoD Program Managers (and CWIPT)

As noted in section C2.3, DoD program managers (PMs) shall prepare and obtain approval for program and contract Cost and Software Data Reporting Plans, shall place approved plan requirements on contract, and shall ensure that reporting contractors comply with the CCDR contractual provisions. This section includes more specific PM responsibilities and the interrelated cost analysis responsibilities of the CWIPT.

C2.7.3.1. The DoD PM in coordination with the CWIPT shall begin planning for CCDR reporting between 8 and 12 months before the Overarching Integrated Product Team (OIPT) Milestone B review. The PM shall ensure that all the appropriate CCDR stakeholders for ACAT ID and IC programs are included in the CWIPT planning process.

C2.7.3.2. The PM in coordination with the CWIPT shall complete the draft Program Plan and WBS Dictionary in time to meet the earlier date of the following two events. First, the PM shall include the program plan in the draft CARD, which is due approximately 180 days before the OIPT meets. Simultaneously, the CWIPT shall submit a copy of the program plan to the DCARC. Second, the PM shall complete and submit the program plan to the DCARC no later than 60 days before the solicitation to industry. The DoD PM shall forward all program and contract plans to the DCARC for CAIG Chair approval.

C2.7.3.3. The DoD PM in coordination with the CWIPT shall determine CCDR requirements that can be placed on high-risk or high-technical interest contracts that are priced between \$7 million and \$50 million (FY 2002 dollars) when justified for cost estimating needs and advise the PM accordingly.

C2.7.3.4. The DoD PM in coordination with the CWIPT shall determine CCDR frequency to meet the needs of the program for cost data early in CSDR planning.

C2.7.3.5. The PM in coordination with the CWIPT shall develop the WBS in accordance with MIL-HDBK-881 (reference (d)) but can deviate from this guidance if justified by unique programmatic requirements. The PM based upon the advice of the CWIPT shall ensure that there is only one program WBS and one contract WBS for each contract. The program WBS submitted with the CARD shall agree with the program plan WBS. Any differences must be explained when the latest of the two documents is submitted.

C2.7.3.6. The PM shall provide in the Remarks section of the program plan the name and address of any associate contractors and all lower tier subcontractors who potentially meet the CCDR reporting thresholds along with the specific WBS elements and key technical characteristics that they are responsible for. If any of these elements are not known when the plan is submitted, the PM shall submit a revised plan when the information becomes available.

C2.7.3.7. The PM, in coordination with the CWIPT, shall ensure the results of the approved Program CSDR Plan are contained in the draft Contract CSDR Plan used in the solicitation to industry.

C2.7.3.8. The PM shall forward an extract of the Request for Proposals (RFP) that contains CCDR requirements to the DCARC before issuing the RFP.

C2.7.3.9. The PM shall forward one copy of the CDRL items that establish the WBS, WBS Dictionary, and CCDR requirements to the DCARC within 30 days after the contract containing such requirements is awarded. Signed CDRL items must be submitted in electronic form. When the subcontractor reporting requirement refers to the prime contractor's CSDR Plan, electronically forward the reference and the prime contractor's Plan to the PM. The PM, in turn, shall review and forward the electronic documents to the DCARC within 15 days of receipt. The PM shall finalize the Contract Plan, update the Program Plan, if necessary, and forward both to the DCARC for final review and approval no later than 30 days after contract award.

C2.7.3.10. The PM shall require reporting contractors to submit DD Form 1921 or 1921-1 in response to the solicitation when CCDR requirements are to be placed on contract. The PM shall make every effort to keep the reports to a minimum to help streamline solicitation responses. The PM shall incorporate the content of the approved CSDR Plan and Dictionary into the solicitation.

C2.7.3.11. The PM shall request DD Forms 1921 and 1921-1 to support development of program estimates and annual cost estimates based upon the advice of the CWIPT.

C2.7.3.12. The PM, or the designated DoD Component representative, shall provide the status of CCDR processing, including the CSDR Plan and any applicable previous CDDR reports, at the CAIG review 21 days before the OIPT review.

C2.7.3.13. The PM in coordination with the CWIPT shall submit the final Program CSDR Plan and WBS Dictionary to the CAIG with the final CARD and to the DCARC 45 days before the OIPT review.

C2.7.3.14. The PM shall assist the DCARC in ensuring that reporting contractors shall promptly resolve all reporting deficiencies identified by DCARC during the validation process.

C2.7.3.15. The PM shall coordinate any proposed revisions to the approved Plan with the CWIPT before submission to the DCARC for CAIG review and approval prior to contract award. The PM shall include the approved CSDR Plan requirements in the contract award and ensure that contracting officials do not deviate from these requirements.

C2.7.3.16. PMs shall file their CCDR reporting concerns and comments through DCARC.

#### C2.7.4. CWIPT

As noted in section C2.3, the Cost Working-Level Integrated Product Team (CWIPT) shall identify cost analysis requirements for programs and contracts to facilitate the preparation of timely, high quality cost estimates and advises the PM accordingly. Refer to section C2.7.3 for specific CWIPT advisory responsibilities. The CWIPT also has the specific responsibility to coordinate within the DoD Component in accordance with established CCDR policies and procedures.

#### C2.7.5 DCARC

As noted in section C2.3, the DCARC shall administer the CCDR system for ACAT ID and IC programs and advise the CAIG Chair on CCDR policies and processing. In this capacity the DCARC serves as the CAIG Chair's primary representative on all CCDR matters. More specific responsibilities include the following.

C2.7.5.1. The DCARC shall be the primary office for final receipt, validation, acceptance, and distribution of CCDR reports for ACAT ID and IC programs. The DCARC shall notify the reporting contractor and the responsible PM of any discrepancies identified during the validation process and will ensure they are resolved in a timely manner.

C2.7.5.2. The DCARC shall follow-up with the PM and CWIPT to ensure that the issued solicitation is consistent with the approved program plan and dictionary.

C2.7.5.3. The DCARC shall periodically assess (at least annually) the need for field reviews of contractor implementation of CCDD reporting for ACAT I programs.

C2.7.5.4. The DCARC Director shall provide the status of the CCDD processing for ACAT ID programs to the CAIG Chair with recommended action items, if appropriate, no later than 26 days before the OIPT review.

C2.7.5.5. The DCARC, in coordination with the CWIPT, the reporting contractor, and any other interested stakeholder, such as the Defense Contracting Auditing Agency (DCAA) and the Defense Contracting Management Agency (DCMA), shall determine the need to perform a post-mortem review of the final CCDDs within 60 days after the final report(s) is received. If needed, the DCARC shall lead the review effort.

C2.6.5.6. The DCARC shall establish electronic reporting requirements after consultation and coordination with defense industry representatives.

#### C2.7.6. Reporting Contractors

As noted in section C2.3, reporting contractors shall prepare and submit CCDD reports in accordance with their contractual requirements. More specific responsibilities include the following.

C2.7.6.1. Reporting contractors shall provide estimates in DD Forms 1921 and 1921-1 and submit a recommended draft Contract Plan as part of the response to the solicitation.

C2.7.6.2. Reporting contractors shall submit the final contract WBS and Dictionary within 60 days of contract award

C2.7.6.3. Reporting contractors shall prepare CCDD reports in accordance with contractual requirements including the appropriate DIDS, which shall reference and comply with the mandatory guidance contained in this Directive. Contractors must provide report data electronically for all new contracts awarded after October 1, 2003.

C2.7.6.4. Reporting contractors shall submit interim reports within 45 days after the end of the reporting period as specified in the CSDR Plan.

C2.7.6.5. Reporting contractors shall forward the contract and lower tier subcontract plans to the DoD PM for review and, if necessary, to update the program plan, before submission to the DCARC for CAIG Chair approval. For subcontractor reporting, the prime contractor shall forward the subcontract reference that specifies the reporting requirement to the DoD PM within 30 days of subcontract award.

C2.7.6.6. Reporting contractors shall forward to the DCARC an electronic copy of each DD Form 1921 and 1921-1 that is contractually required within 180 days of contract award or 60 days after the Integrated Baseline Review (IBR) has been completed and approved, whichever occurs later.

C2.7.6.7. Subcontractors and other lower tier contractors shall send their CCDR reports directly to the DCARC to facilitate processing. If the subcontractor agrees, a copy of the report may be provided concurrently to the prime or other higher tier contractor.

C2.7.6.8. Reporting contractors shall promptly resolve any discrepancies identified by DCARC during the validation process.

## C2.8. OTHER GUIDANCE

### C2.8.1. Defense Contract Audit Agency (DCAA) Guidance

C2.8.1.1. Section 11-306 of Defense Contract Audit Agency Manual (DCAAM) 7640.1M, "DCAA Contract Audit Manual," Volume 2 (reference (f), establishes DCAA audit responsibilities involving the CCDR system. The Manual directs DCAA auditors to evaluate the effectiveness of the contractor's system, policies, and procedures for accumulating data and preparing CCDRs at least once each year and to prepare audit reports documenting the results of their review, and submit them to the Administrative Contracting Officer (ACO), and provide copies to the designated Component official responsible for CCDR reporting and to the DCARC.

### C2.8.2. Defense Automated Cost Information Management System (DACIMS)

Chapter 5 of this Manual describes the DACIMS repository, which contains all the electronic CCDR information.



### C3. CHAPTER 3 DOD PLANNING AND CONTRACTING

#### C3.1. INTRODUCTION

C3.1.1. DD Form 2794, Cost and Software Data Reporting (CSDR) Plan, is the key document in establishing reporting requirements throughout each phase of the acquisition program. Shown in Figure C3.F3, the CSDR Plan is needed for both the RFP process and the contract award process. Its primary purposes are to serve as the reference document for placing data requirements on contract, source document used to compare with actual reporting data from contractors to ensure that data are reported as planned, and source document along with the data dictionary to compare data plans and definitions with different WBS levels and weapon systems. The remainder of this section describes the general procedures to be followed in preparing the Plan. Section C3.2 provides detailed instructions for completing DD Form 2794. Section C3.3 describes procedures for placing CCDR and Software Resources Data Report (SRDR) requirements on contract. Detailed guidance about the SRDR system can be found in DoD 5000.4-M-2, “Software Resources Data Report Manual” (reference (g)).

C3.1.2. The format for DD Form 2794 reflects the proposed collection of CCDR and SRDR data by program or contract, including reporting elements (e.g., WBS elements), report type, and frequency of reporting. The Plan may be for the entire program or for an individual contract within a program. The PM prepares the Plan in conjunction with the CWIPT, and the OSD CAIG (for ACAT I programs) or the designated Component organization (for ACAT II and III programs) approves it. The participation of all appropriate CCDR and SRDR stakeholders in the early development of the CSDR Plan facilitates communication about program and contract cost estimating throughout the acquisition life cycle. ACAT I program plans must be submitted with the CARD 180 days before the appropriate milestone decision and in sufficient time to include the results of the CAIG review in the solicitation to industry.

C3.1.3. PMs shall complete an electronic version in Microsoft Word of DD Form 2794. PMs are encouraged to use the automated form available from the DCARC Web site (<http://dcarc.pae.osd.mil>) to help them develop CSDR Plan.

C3.1.4. The reporting elements consist largely of the WBS structure, which provides the framework for programs involving a given commodity. When combined with the standard CCDR cost categories (e.g., functional categories and cost elements), the WBS provides the needed consistency and comparability essential to developing normalized databases for cost-estimating purposes. Generally, the Plan shall be limited to the minimum number of WBS elements needed for estimating. Use the least number of line items needed to estimate costs. Reporting shall generally be at level 3 of the contract WBS but may be selectively extended with CAIG approval for program elements of high risk, high value, or high technical interest that warrant separate reporting. The CWIPT shall identify these elements. Refer to Chapter 2 of this Manual for more detailed guidance.

<b>COST AND SOFTWARE DATA REPORTING PLAN</b>						Form Approved OMB No. 0704-0188					
Public reporting burden for this collection of information is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, D.C. 20503.											
1a. PROGRAM				2. WEAPON SYSTEM TYPE		3. SUBMISSION TYPE <input type="checkbox"/> INITIAL SUBMISSION <input type="checkbox"/> CHANGE		4. DATE AS OF (MM/DD/YYYY)		5. REPORT DATE (MM/DD/YYYY)	
1b. MILESTONE      A <input type="checkbox"/> B <input type="checkbox"/> C: LRIP <input type="checkbox"/> C: PROD <input type="checkbox"/>				8b. TELEPHONE NUMBER <i>(Include Area Code)</i>  8c. FAX NUMBER <i>(Include Area Code)</i> 8d. E-MAIL:		7. WBS <input type="checkbox"/> PROGRAM  <input type="checkbox"/> CONTRACT		8. PREPARING ORGANIZATION			
6. POINT OF CONTACT (POC) INFORMATION a. POC AND ADDRESS (Include ZIP Code)								9. REVIEW AND REFERENCE NUMBER			
10. WBS ELEMENT CODE a. PROGRAM    b. CONTRACT		11. WBS REPORTING ELEMENTS		12. CONTRACTOR (DUNS Code)		13. CONTRACT NUMBER		14. REPORT FREQUENCY			
								a. DD 1921    b. DD 1921-1 (Part I)    c. DD 1921-1 (Part II)    d. DD 2630			
								REQUIRED    REQUIRED    REQUIRED    REQUIRED			

Figure C3.F3. DD Form 2794, "Cost and Software Data Reporting Plan," Page 1



15. CDR SUBMISSION				
SUBMISSION	FORM	EVENT	AS OF DATE	DUE DATE
16. REMARKS				

DD FORM 2794, MAR 2003

PREVIOUS EDITION IS OBSOLETE

Figure C3.F3. DD Form 2794, "Cost and Software Data Reporting Plan," Page 2

## C3.2. PROCEDURES

The following paragraphs describe the data elements of the CSDR Plan. Note that Figure C3.F3 does not show the last item described here (paragraphs C3.2.16, Remarks) which is a “memo” entries in the electronic version of the Plan.

C3.2.1. Item 1a. Program. This data element is a free-form description to identify the name of the program. It may contain the formal or common name of the program and shall include the program’s mission, design, series or other military designation of the prime item to be purchased on the contract. If the contract is for services or level of effort (research, flight test, etc.), show the title of the service.

C3.2.2. Item 1b. Milestone. Check the appropriate block for the phase that reporting applies to. The choices are Milestones A, B, C: LRIP (for Low-Rate Initial Production), and C: Prod (for Full-Rate Production).

C3.2.3. Item 2. Weapon System Type. This data element is used to identify the weapon system type. A Major Defense Acquisition Program (MDAP) must be categorized into one of the following seven weapon system types defined in MIL-HDBK-881 (reference (d)): aircraft, electronic/ automated software, missiles, ordnance, ships, space, and surface vehicles.

C3.2.4. Item 3. Submission Type. This data element identifies the type of CSDR Plan: Check initial submission or change (since the last approved Plan).

C3.2.5. Item 4. Data As Of. The “as of” date is the date when the Plan was last revised or updated. The date format is mm-dd-year (e.g., 06-15-2003 for June 15, 2003). Leave blank if this is your initial submission.

C3.2.6. Item 5. Report Date. Enter the date when the reporting organization submitted the plan (e.g., 12/31/02 for December 31, 2002).

C3.2.7. Item 6. Point of Contract Information. Enter the name, address, and other relevant information about the Point of Contact (POC) as follows: Item 6a POC and Address, including name, street address, city, state, and ZIP code; Item 6b Telephone Number; Item 6c Fax Number; and Item 6d E-mail.

C3.2.7. Item 7. WBS. Check the appropriate block for WBS type (i.e., Program WBS or Contract WBS).

C3.2.8. Item 8. Preparing Organization. Enter the name of the organization that prepared the Plan. A representative from the DoD program office normally prepares CSDR Plans with the advice and assistance of the CWIPT.

C3.2.9. Item 9. Review and Reference Number. The DCARC assigns a reference number after review and approval. This number serves as the reference point for future submissions and changes. Leave this data element blank for the initial submission.

C3.2.10. Item 10. WBS Element Code.

C3.2.10.1. Item 10a. Program. The Program WBS Element Code is any code that the program office chooses (alpha, numeric, or alpha/numeric), provided it is consistent with the overall WBS framework. Many program offices use a hierarchical numbering scheme. For each element within the WBS, enter an appropriate WBS code. When submitting a program plan, no contract WBS element plan is required.

C3.2.10.2. Item 10b. Contract. The Contract WBS Element Code is any code that the program office and contractor agree (alpha, numeric, or alpha/numeric) that is consistent with the program WBS. When submitting a contract CSDR Plan, codes must be entered for both the contract and related program WBS element.

C3.2.11. Item 11. Breakdown Structure Elements. Enter the title of the specific reporting element.

C3.2.12. Item 12. Contractor (DUNS Code). Leave this item blank for the initial submission. Enter the standard contractor abbreviation or its Dun and Bradstreet's Universal Numbering System (DUNS) Code when the contractor is selected. More information on the DUNS code may be obtained from [www.dnb.com](http://www.dnb.com) and click on the DUNS number category.

C3.2.13. Item 13. Contract Number. Enter the number of the contractor's contract with the government to identify the current or existing contract under which the item is to be procured.

C3.2.14. Item 14. Report Frequency. Enter an X for each WBS element that requires a report (DD 1921, DD 1921-1 (Part I), DD 1921-1 (Part II), and the new Software Resources Data Report (SRDR), DD 2630. r

C3.2.15. Item 15. CCDR. Enter the sequential number of each report submission (beginning with 1) under Submission, the CCDR form numbers related to that submission, and the event or time period driving the submission (e.g., first flight test or annual reporting). Also note the planned as of date and the related due date of the submission.

C3.2.16. Item 16. Remarks (memo). Also, within the automated planning tool, users may enter any other pertinent remarks about the Plan. The two data items described below are mandatory. The information supplied is not intended in any way to preempt the prime contractor's selection process for subcontractors. Instead, its purpose is to establish an early tracking mechanism to ensure all appropriate reporting requirements are

implemented. The information might have to be revised as RFPs are issued and contracts are awarded.

C3.2.16.1. Associate Contractor and Subcontractor Information. The PM shall provide in the program plan the name and address of any prime contractors and subcontractors (may also apply to lower tier subcontractors) who might meet the CCDR reporting thresholds along with the specific WBS elements for which they are responsible. If the specific subcontractor is not yet known, enter “TBD” (for “to be determined”) and identify the WBS elements for which the subcontractor shall be responsible.

C3.2.16.2. Technical Characteristics. The PM shall identify in the program plan the specific characteristics and related metrics (e.g., weight, range, and speed) for each prime, associate, or subcontractor that meets the CCDR reporting thresholds. If the specific contractor is not yet known, enter “TBD”(for “to be determined”) and identify the WBS elements and expected technical characteristics. The Program Manager, in coordination with the CWIPT, is responsible for identifying the proposed characteristics. Airframe weight is a mandatory requirement for aircraft contracts.

### C3.3. PLACING CCDR REQUIREMENTS ON CONTRACT

C3.3.1. The CSDR Planning process culminates in contract award. The approved CSDR Program Plan is used as a starting point to prepare the proposed CSDR Contract Plan that is included in the RFP. The contractor in response to the RFP accepts or recommends changes to contract plan. The final proposed plan is negotiated and submitted to the DCARC for approval.

C3.3.1.1. Instructions. The following RFP language contains the essential instructions for implementing CCDRs. The contractor shall systematically collect and report actual contract costs to provide DoD cost analysts with needed data to estimate future costs. The contractor as part of the response to the RFP will:

C3.3.1.1.1. Propose a draft contract CSDR Plan, DD Form 2794, that includes the contract WBS using the approved program plan and the draft contract plan provided by the DoD program office as the baseline. The contract CSDR Plan will include level 3 of the contract WBS and any lower level WBS elements designated by DoD as being high risk or high technical interest. The contractor may further extend the WBS for its own reporting purposes.

C3.3.1.1.2. Negotiate a final draft contract cost data reporting plan that will be submitted by the DoD program office to the Cost Analysis Improvement Group (CAIG) Chair for approval. The final approved contract plan will be incorporated into the contract.

C3.3.1.1.3. Provide contract cost estimates on the DD Forms 1921 and 1921-1 using the contract WBS proposed in subparagraph a above.

C3.3.1.2. After contract award the contractor shall:

C3.3.1.2.1. Provide the final contract WBS and dictionary in compliance with DI-MGMT-81334 within 60 days after contract award. Maintain and update the WBS and dictionary during contract execution. Submittals will be no more frequent than CCDR reports.

C3.3.1.2.2. Prepare and provide CCDR reports IAW DI-FNCL-81565, DI-FNCL-81566, and DI-FNCL-81567 and with the approved contract cost data plan.

C3.3.1.2.3. Flow down CCDR requirements to any lower tier contractor that will have a contract valued at over \$50 million (FY 2002 dollars) or any contracts valued at between \$7 million and \$50 million (2002 dollars) that are designated by the DoD program office as being high risk or high technical interest.

C3.3.1.3. Contract Evaluation. The contractor's proposed CSDR Plan will be evaluated based on its consistency with the approved program plan and the DoD proposed contract plan. The DD Forms 1921 and 1921-1 will be evaluated based upon its consistency with the contractor's proposed plan.

C3.3.2. The final approved contract plan is then included in the contract by incorporating the CDRL (DD Form 1423-1) that identifies specific CCDR requirements for development and production contracts. A separate CDRL is prepared for each of the two CCDR reports. The form is available at <http://web1.whs.osd.mil/icdhome/formsrpt/ddall.htm>. Figure C3.F4 is an example of a partially completed first page of the CDRL for DD Form 1921, and Figure C3.F5 is the same for DD Form 1921-1.

C3.3.3. Contractors are required to submit a copy of their WBS and dictionary 60 days after contract award. Figure C3.F6 shows an example of a CDRL for the Contract Work Breakdown Structure (CWBS).

C3.3.4. The DoD Program Manager must submit copies of all CDRLs to the DCARC within 30 days of contract award. The CDRLs shall include the contract requirements for the WBS, WBS Dictionary, and DD Forms 1921 and 1921-1. These copies provide verification that the CCDR requirement was placed on contract.

CONTRACT DATA REQUIREMENTS LIST (1 Data Item)										Form Approved OMB No. 0704-0188										
<p>The public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0701-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to the above address. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.</p>																				
A. CONTRACT LINE ITEM NO.			B. EXHIBIT		C. CATEGORY: TDP _____ TM _____ OTHER _____															
D. SYSTEM/ITEM				E. CONTRACT/PR NO.			F. CONTRACTOR													
1. DATA ITEM NO.		2. TITLE OF DATA ITEM Cost Data Summary Report (DD Form 1921)				3. SUBTITLE Contractor Cost Data Reporting (CCDR)														
4. AUTHORITY (Data Acquisition Document No.) DI-FNCL-81565				5. CONTRACT REFERENCE			6. REQUIRING OFFICE													
7. DD 250 REQ		9. DIST STATEMENT REQUIRED		10. FREQUENCY		12. DATE OF FIRST SUBMISSION		14. DISTRIBUTION												
8. APP CODE				11. AS OF DATE		13. DATE OF SUBSEQUENT SUBMISSION		a. ADDRESSEE		b. COPIES										
										<div style="display: flex; justify-content: space-between;"> <div>Draft</div> <div>Final</div> </div>										
16. REMARKS  Prepare Blocks 10, 12, and 13 in accordance with the approved Cost and Software Data Reporting (CSDR) Plan provisions, the WBS Data Dictionary, and the CCDR Manual (DoD 5000.4 M-1). The CSDR Plan is included as contract attachment 1. The CCDR Manual is available from the DCARC web site at <a href="http://dcarc.pae.osd.mil">http://dcarc.pae.osd.mil</a> . The responsible DoD office for receiving and storing all CCDR-related formats is:  Defense Cost and Resource Center (DCARC) 1111 Jefferson Davis Highway PO Box 005 Arlington, VA 22202 (703) 602-3169  Prepare CCDR data in electronic format in accordance with the detailed instructions contained in Data Item Description DI-FNCL-81565. Prime contractors are responsible for flowing down CCDR requirements contained in their prime contracts to all subcontractors who meet the reporting thresholds. This includes requiring subcontractors to electronically report directly to the DCARC.								DCARC												
								See Item 16												
																15. TOTAL		0	0	0
								G. PREPARED BY				H. DATE		I. APPROVED BY			J. DATE			

DD FORM 1423-1, FEB 2001
PREVIOUS EDITION MAY BE USED.
Page \_\_\_\_ of \_\_\_\_ Pages

**Figure C3.F4. Example of DD Form 1423-1, "Contract Data Requirements List," for DD Form 1921, "Cost Data Summary Report"**

CONTRACT DATA REQUIREMENTS LIST (1 Data Item)										Form Approved OMB No. 0704-0188		
<p>The public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0701-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to the above address. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.</p>												
A. CONTRACT LINE ITEM NO.			B. EXHIBIT		C. CATEGORY: TDP _____ TM _____ OTHER _____							
D. SYSTEM/ITEM				E. CONTRACT/PR NO.			F. CONTRACTOR					
1. DATA ITEM NO.		2. TITLE OF DATA ITEM Functional Cost-Hour and Progress Curve Report (DD Form 1921-1)				3. SUBTITLE Contractor Cost Data Reporting (CCDR)						
4. AUTHORITY (Data Acquisition Document No.) DI-FNCL-815666				5. CONTRACT REFERENCE			6. REQUIRING OFFICE					
7. DD 250 REQ		9. DIST STATEMENT REQUIRED		10. FREQUENCY		12. DATE OF FIRST SUBMISSION		14. DISTRIBUTION				
8. APP CODE				11. AS OF DATE		13. DATE OF SUBSEQUENT SUBMISSION		a. ADDRESSEE		b. COPIES		
								Draft		Final		
								Repro		Repro		
16. REMARKS  Prepare Blocks 10, 12, and 13 in accordance with the approved Cost and Software Data Reporting (CSDR) Plan provisions, the WBS Data Dictionary, and the CCDD Manual (DoD 5000.4 M-1). The CSDR Plan is included as contract attachment 1. The CCDD Manual is available from the DCARC web site at <a href="http://dcarc.pae.osd.mil">http://dcarc.pae.osd.mil</a> . The responsible DoD office for receiving and storing all CCDD-related formats is:  Defense Cost and Resource center (DCARC) 1111 Jefferson Davis Highway PO Box 005 Arlington, VA 22202 (703) 602-3169  Prepare CCDD data in electronic format in accordance with the detailed instructions contained in Data Item Description DI-FNCL-81566. Prime contractors are responsible for flowing down CCDD requirements contained in their prime contracts to all subcontractors who meet the reporting thresholds. This includes requiring subcontractors to electronically report directly to the DCARC.								DCARC				
								See Item 16				
								15. TOTAL				
G. PREPARED BY				H. DATE		I. APPROVED BY			J. DATE			

DD FORM 1423-1, FEB 2001
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Page \_\_\_\_ of \_\_\_\_ Pages

**Figure C3.F5. Example of DD Form 1423-1, "Contract Data Requirements List," for DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report"**

CONTRACT DATA REQUIREMENTS LIST (1 Data Item)										Form Approved OMB No. 0704-0188					
The public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0701-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to the above address. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.															
A. CONTRACT LINE ITEM NO.			B. EXHIBIT		C. CATEGORY: TDP _____ TM _____ OTHER _____										
D. SYSTEM/ITEM				E. CONTRACT/PR NO.			F. CONTRACTOR								
1. DATA ITEM NO.		2. TITLE OF DATA ITEM Contract Work Breakdown Structure (CWBS)				3. SUBTITLE Contractor Cost Data Reporting (CCDR)									
4. AUTHORITY (Data Acquisition Document No.) DI-MGMT-813.34				5. CONTRACT REFERENCE			6. REQUIRING OFFICE								
7. DD 250 REQ		9. DIST STATEMENT REQUIRED		10. FREQUENCY		12. DATE OF FIRST SUBMISSION		14. DISTRIBUTION							
8. APP CODE				11. AS OF DATE		13. DATE OF SUBSEQUENT SUBMISSION		a. ADDRESSEE		b. COPIES					
16. REMARKS  Prepare Blocks 10, 12, and 13 in accordance with the CCDR Manual (DoD 5000.4-M-1) and the guidance in the Military Handbook 881, "Work Breakdown Structures for Defense Materiel Items." The CCDR Manual is available from the DCARC web site at <a href="http://dcarc.pae.osd.mil">http://dcarc.pae.osd.mil</a> . The responsible DoD office for receiving and storing CCDR-related format is:  Defense Cost and Resource Center (DCARC) 1111 Jefferson Davis Highway PO Box 005 Arlington, VA 22202 (703) 602-3169  Prepare the CWBS in electronic format in accordance with Data Item Description DI-MGMT-81334. Prime contractors are responsible for flowing down CCDR requirements contained in their prime contracts to all subcontractors who meet the reporting thresholds. This includes requiring subcontractors to electronically report directly to the DCARC.								DCARC							
								See item 16.							
								Draft		Final					
								Reg		Repro					
								15. TOTAL →							
G. PREPARED BY				H. DATE		I. APPROVED BY			J. DATE						

DD FORM 1423-1, FEB 2001
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Page \_\_\_\_ of \_\_\_\_ Pages

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**Figure C3.F6. Example of DD Form 1423-1, "Contract Data Requirements List," for the Contract Work Breakdown Structure**



## C4. CHAPTER 4 CONTRACTOR GUIDANCE

This chapter contains general guidance and specific references to assist contractors in fulfilling the reporting requirements for DD Form 1921, “Cost Data Summary Report,” and DD Form 1921-1, “Functional Cost-Hour and Progress Curve Report. The DCARC has also developed an automated tool, the CCDR Pre-processor, for preparing the above reports electronically. The tool and related instructions are available from the DCARC Web site at <http://dcarc.pae.osd.mil>.

### C4.1. GENERAL APPLICATIONS

#### C4.1.1. Reporting Elements

Contractor cost data shall be collected on reporting elements as specified in the RFP or the contract as specified in the CSDR Plan. Reporting elements are any contract items on which data are to be collected. They primarily consist of WBS elements but may include such other subdivisions as General and Administrative (G&A) expense and profit. The requirements for these reports must always be specified in the RFPs. Any one or more of the contractors (prime, associate, or subcontractor) may report on one or more of the reporting elements selected. Who does the reporting on an element shall be based on the relative importance of that element to cost-estimating requirements and to the total contract effort.

#### C4.1.2. Report Submission

Contractors shall submit the two CCDR reports showing actual and estimated contract costs at frequencies specified in the contract. Reports shall be prepared in accordance with the following guidelines and definitions:

C4.1.2.1. The same criteria applicable to the selection of prime contractor(s) for reporting also apply to the selection of subcontractors. Subcontractors whose contracts meet the dollar thresholds and other criteria specified in Chapter 2 shall have CCDR requirements included in their contract with the prime contractor. When reports are needed from subcontractors, the prime or associate contractor is responsible for incorporating such requirements into the affected contracts.

C4.1.2.2. Subcontractors shall report directly to the DCARC to facilitate processing. A copy of the report may also be provided to the prime contractor if the subcontractor agrees.

C4.1.2.3. Subcontractors subject to CCDR requirements shall follow the instructions in this chapter in the same manner as prime contractors.

## C4.2. GENERAL GUIDELINES

The following general guidelines apply to the preparation of the CCDR forms:

C4.2.1. Permission to deviate from the requirements to report data on the elements and in the frequency specified in the RFPs and contracts must be requested in writing from the Procuring Contracting Officer (PCO). The PCO must, in turn, coordinate with the Program Manager (PM) to ensure that such deviations are acceptable. The PM, in turn, must coordinate with the CWIPT or designated analysts if the CWIPT is no longer in existence and obtain appropriate approval from the DCARC. Use the “Remarks” section on each form or a supplementary sheet to note approved deviations.

C4.2.2. Contractors must report all actual and estimated costs, regardless of contract ceiling or contract type (e.g., firm fixed price). This requirement may result in reported costs being higher than costs actually paid for by the government. Report all cost data in thousands of dollars rounded to the nearest tenth, unless otherwise specified in the RFP or contract. For example, \$245,671,423 would be reported as \$245,671.4.

C4.2.3. All contractor data sources must be included. If the contractor cannot provide the data in the requested format without major effort or major change to the accounting system (e.g., when a contractor’s accounting system does not aggregate to a specified cost category), the contractor shall provide a best estimate. The contractor must provide the basis for the estimate in the “Remarks” section of the appropriate report.

C4.2.4. When the same contract contains different models or versions of an end item as separate contract line items, separate reports may be required on each. The requirement for separate reporting shall be delineated in the CSDR Plan, the RFP, and the contract. A separate reporting requirement can be expected when there are significant cost or technical characteristic differences between the models or versions.

C4.2.5. Each form contains a section for remarks. Use this section, and additional sheets as required, whenever the space provided is insufficient, or the contractor must deviate from the format or definitions. The instructions for a specific form may suggest the use of the “Remarks” section in certain instances.

C4.2.6. The contractors reporting to the Department of Defense shall note in the “Remarks” section of each appropriate report the names of subcontractors who have been designated to submit reports directly to Department of Defense and corresponding purchase orders or subcontract numbers.

C4.2.7. Reporting contractors must ensure that the proper security classification, within the meaning of the Espionage Act, is assigned to each report. The latest executive copy of DD Form 254, “Security Requirements Check List,” shall indicate the proper security classification. Do not use terms such as “Secret” or “Confidential” to describe data that is proprietary in nature.

C4.2.8. DoD Components shall protect company information of a proprietary nature. All requests for CCDR information from any non-DoD governmental agency or organization shall be processed through the DCARC.

C4.2.9. When no costs were incurred during a reporting period on which it is expected to report, the contractor shall insert a zero (0) in the appropriate place on the electronic format or form.

#### C4.3. CONTRACTOR COST DATA REPORTS (CCDRs)

DD Form 1921, "Cost Data Summary Report," related instructions in the Data Item Description (DID), DI-FNCL-81565A, DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," and related instructions contained in the DID, DI-FNCL-81566A, are all contained in Appendix 1. Copies of the two report formats are available at <http://web1.whs.osd.mil/icdhome/formsrpt/ddall.htm>. Copies of the Excel templates for each report and the CCDR Pre-processor tool are available at <http://dcarc.pae.osd.mil>. The reporting contractor is any prime contractor, associate contractor, or subcontractor who is contractually required to submit CCDR reports.

#### 4.4. DD Form 1921-3, "Plant-Wide Data Report"

DD Form 1921-3 was deleted as of December 31, 1999. DD Form 1921-3 has been replaced with data from the forward pricing rate (FPR) process that is provided by the Defense Contract Management Agency (DCMA) resident offices or the responsible contractor.



## C5. CHAPTER 5

### DEFENSE AUTOMATED COST INFORMATION MANAGEMENT SYSTEM

This chapter provides information about what the Defense Automated Cost Information Management System (DACIMS) is, how it works, and how it benefits the DoD cost community. It briefly describes the DACIMS system, the various stakeholders (users) that interface with it, and how they use the DACIMS to prepare, submit, view, and download CCDRs.

#### C5.1. GENERAL DESCRIPTION

C5.1.1. Introduction. DACIMS is a highly secured web-based information system that hosts the CCDR Database, CAIG Library, Cost Growth Database, and Cost Research Bibliography Library. Users must obtain an X.509 certificate and a login ID in order to access the DACIMS. To request a certificate, follow the registration instructions on the DCARC Web site (<http://dcarc.pae.osd.mil>) and Section C5.3.

C5.1.2. Content. The DACIMS holds over 30,000 CCDRs. The majority of these are scanned images of historical CCDRs; others are in Microsoft Excel format. The number of CCDRs in Excel format is expected to grow since all new CCDRs must be submitted electronically. The DACIMS also holds a number of Cost Analysis Improvement Group (CAIG) and Naval Center for Cost Analysis (NCCA) documents and contains Selected Acquisition Report (SAR) Cost Growth Data. The DCARC is aggressively pursuing other sources of weapons system data and information and expects the amount and type of data being held in the DACIMS to grow.

C5.1.3. Flow of Data. Figure C5.F7 illustrates the overall flow of data into and out of the DACIMS. It shows that weapon system Materiel Developers (MDs) and Defense Contract Management Agency (DCMA) personnel submit CCDRs and Forward Rate Pricing data to the DACIMS as secure e-mail attachments through the Internet.<sup>11</sup> It also shows that the DACIMS permits Program Managers and Cost Analysts to view, search, and download files only in a secure manner. Authorized government users connect with the DACIMS via a Secured Socket Layer (SSL) connection using an X.509 digital certificate issued as described in section C5.3.

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<sup>11</sup> MDs must create CCDRs electronically using the Pre-processor software available via the DCARC Web site (<http://dcarc.pae.osd.mil>).

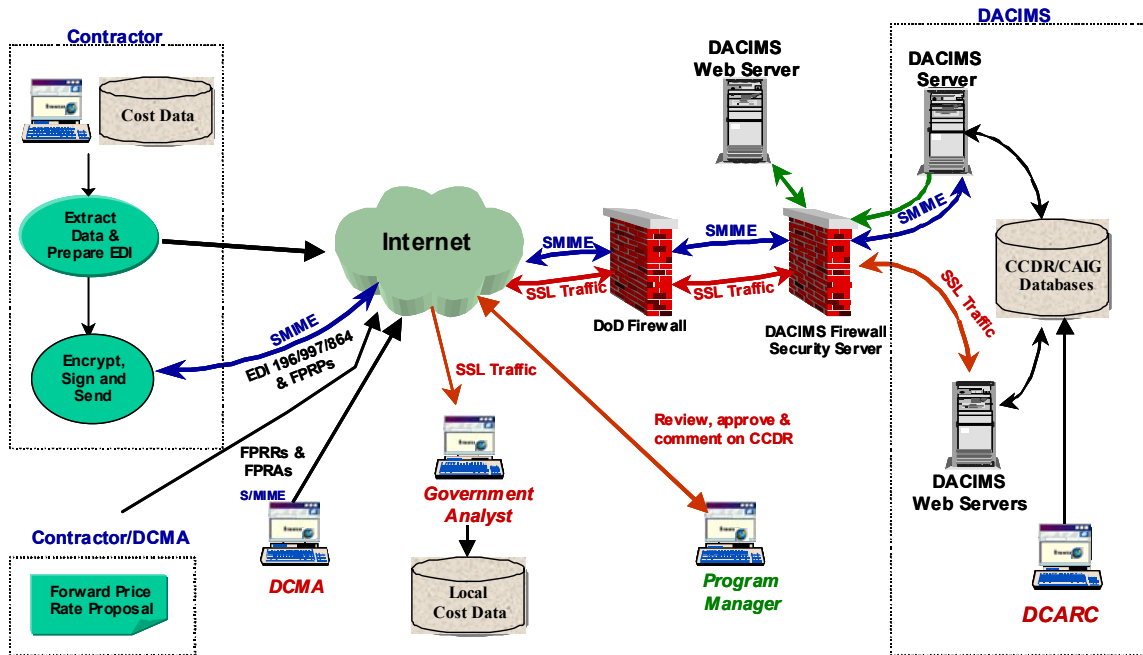


Figure C5.F7. DACIMS Architecture

## C5.2. DACIMS STAKEHOLDERS

C5.2.1. Four types of stakeholders interact with the DACIMS. They are Materiel Developers (MDs), Defense Contracting Management Agency (DCMA) personnel, Program Managers (PMs), and Cost Analysts (CAs). Each type of stakeholder is described in the paragraphs that follow.

C5.2.2. Material Developers (MDs) are the contractors, both prime contractors and subcontractors, who have contracts to develop and/or produce ACAT I weapon systems. They are required to submit CCDRs, and they must submit them to the DACIMS in electronic format. MDs cannot view data in the DACIMS.

C5.2.3. DCMA personnel from various DCMA field offices negotiate Forward Pricing Rates for the MD for which they are responsible. DCMA users, therefore, are responsible for submitting information about FPR proposals, recommendations, and agreements to the DCARC.

C5.2.4. Program Managers (PMs) are government civilian and military personnel who are responsible for monitoring contractors' execution of approved programs. PM staff members have three roles in the CCDR process: CCDR planner, CCDR acceptor, and cost estimator. These roles, their associated automation needs, and their relationships to the DACIMS are described here. The PM develops a CSDR Plan with the CSDR planning tool and submits it electronically to the DCARC for approval. This information sets the reporting schedule and specifies the content of the CCDRs that MDs submit. In the role of acceptor, the PM must have the ability to receive e-mail notices and connect

with the Internet to gain access to the DACIMS. The PM's representative generates comments online to the DCARC and approves or rejects the CCDRs the MDs submit via a secure Web connection. In the role of cost analyst, the PM's representative has the same data access privileges as an authorized CA.

C5.2.5. Cost Analysts (CAs) are government civilian or military personnel who use cost data, including CCDRs, to primarily perform cost analysis on programs. CAs need accurate historical cost data to develop estimates of current or future programs. They may be members of the Cost Analysis Improvement Group (CAIG), one of the service cost centers, a commodity command, or a Program Manager's organization. CAs may access the DACIMS through an Internet connection to do the following: search for specific types of weapons systems data, view CCDRs, and download data and CCDRs as Microsoft Excel files, Tagged Image Files (TIFs), or other electronic formats (depending on the formats in which the information was stored).

### C5.3. REGISTERING FOR ACCESS TO DACIMS DATA

#### C5.3.1. Introduction

C5.3.1.1. CCDR reports are proprietary data that are subject to strict controls and restricted access. The current data access policy was established by the DCARC, coordinated with the OSD Office of General Counsel and the CCDR Focus Group, and approved by the CAIG Chair. The policy is based on guidance contained in the Federal Acquisition Regulation (FAR) and on the operating environment of the DCARC. The objective is to provide ready and secure access to authorized users while safeguarding the proprietary interests of reporting contractors. Ability to access the CCDR data is based on a valid need to use the data, as determined by the DCARC. The following personnel/entities may obtain access to CCDR data, given the restrictions explained in the following subparagraph: DoD employees and military personnel, other federal employees, nonreporting support contractors, and Federally Funded Research and Development Centers (FFRDCs).

C5.3.1.2. The DCARC considers requests for access from federal employees other than the DoD and military personnel on a case-by-case basis. Any questionable requests are referred to the CAIG Chair for resolution. Support contractors with access to the CCDR data must have a signed Non-Disclosure Agreement (NDA) with each reporting contractor whose data they are requesting. Support contractors and FFRDCs must have contracts with the DoD that show they require access to CCDR data (see FAR 35.017).

#### C5.3.2. Instructions for Obtaining a Digital Certificate

Authorized users may gain access to specific CCDR data through the electronic DACIMS after registering with the DCARC and obtaining a digital certificate. This certificate is used to establish the secure Web session with DACIMS. In general, after stakeholders register with the DCARC, they may have access to the data held in the DACIMS or they may be able only to send data to the DCARC. Authorized users register

with the DCARC through the DCARC PublicWeb Site (<http://dcarc.pae.osd.mil>) using Netscape Navigator version 4.5 or higher with domestic grade (128-bit) encryption or Microsoft Internet Explorer version 5.5 or higher. The DCARC Web site provides detailed registration instructions. For the most part, the registration process is basically the same for all stakeholders. Differences in the registration process for the stakeholders with access to data and those authorized only to submit data are explained in the subparagraphs below. The registration process detailed here shall be in effect until DACIMS fully implements the DoD Public Key Infrastructure (PKI) Policy. The DCARC is developing a migration plan to comply with the DoD PKI. Upon implementation, user authentication to DACIMS shall be accomplished only with a certificate issued by the DoD PKI.

C5.3.2.1. Stakeholders That Have Access To Data. CAs and PMs are stakeholders that have access to DACIMS data. You must provide information about yourself and your organization as well as a preferred user identification name. After you submit the registration data, a DCARC analyst will verify that you are an authorized employee in good standing with the organization you identified. After your registration information has been verified, the DCARC will generate an X.509 certificate and send you an e-mail message with instructions on how to load the certificate into your browser and access the DACIMS.

C5.3.2.2. Stakeholders That Only Submit Data. DCMA personnel and MDs fall into the category of stakeholders that only submit data. The responsible DCMA office must submit the FPR data to the DACIMS. After the contract is awarded, the MD must begin submitting the CCDRs to the DCARC in accordance with the contract. To do so, the MD must designate a person to submit the reports and that individual must register with the DCARC. MDs and DCMA personnel should register in the same manner as stakeholders with access to the data. The DCARC staff will verify the validity of the request, and provide the submitter with a certificate that will allow data to be transferred in the form of attachments to encrypted and digitally signed email messages. Since email systems vary, the DCARC staff will assist the submitter and his or her information technology support staff with installing and testing the certificate. MDs are responsible for notifying the DCARC of any changes to the POC data.

### C5.3.3. Processing Non-Disclosure Agreements

Many government organizations use support contractors to assist them in performing cost research and analysis. Accordingly, access to CCDR data may be required. Support contractors must obtain NDAs before gaining access to CCDR data. When the sponsoring DoD organization and the support contractor identify the specific CCDR data, the support contractor shall obtain the MD's standard NDA from the DCARC and complete each MD's NDA (or propose modifications), including a description of the data requested. The support contractor signs the NDA and forwards it to the MD POC along with the cover page and related excerpt from the contract that shows the need for the data. The sponsoring DoD organization and the associated support



contractor are responsible for obtaining the NDA, signed by both parties, from the MD and providing it to the DCARC before access is granted.

#### C5.4. PREPARING CCDRS

C5.4.1. MDs must collect costs and submit the required CCDRs according to their contracts. MDs must extract information out of their respective information systems and format the data into electronic formats as specified in the CSDR Plan. MDs must prepare electronic CCDR reports in either Microsoft Excel (the format recommended by the DCARC) or EDI X12 Transaction Set 196 format (limited to use by those contractors who have submitted EDI X12 CCDR reports in past years). CCDRs for all new contracts must be submitted in Excel format. The DCARC has also provided a Microsoft Windows-based tool to permit MDs to create electronic CCDR files via an Excel template or by loading the data into a Microsoft Access database and then translating it into electronic CCDR reports in either Microsoft Excel format or EDI X12 Transaction Set 196 format. The DACIMS Pre-processor tool, version 1.0, is available from the DCARC Web site (<http://dcarc.pae.osd.mil>). Figure C5.F8 summarizes the capabilities of this tool and associated data flow. The tool has two major components: an Excel component and an EDI X12 Transaction Set 196 Translator. Computer technology has advanced considerably since then this software package was originally designed and programmed. In addition, some forms have been modified and a new DD Form 1921-1 form has been added to the cost data collection. In order to accommodate both advances in technology and the new forms, DCARC is upgrading version 1.0 of the Pre-processor as outlined in the following paragraph.

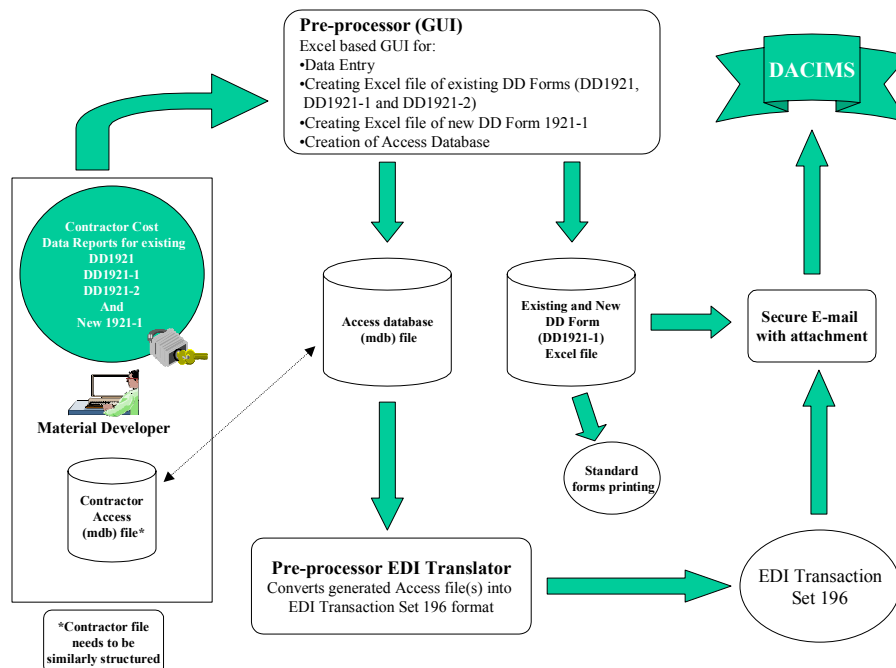


Figure C5.F8. Capabilities and Flow of the DACIMS Pre-processor

C5.4.2. Several new architectures are being evaluated for use with the Pre-processor as a way of accommodating advances in computer technology, especially in Internet services. Among the new architectures to be considered are (1) Web-based software for generating and submitting CCDRs and (2) an Internet-based e-commerce environment for the Extensible Markup Language (XML) standards. The explosive growth of Web-based data exchanges allows extension of CCDR report submission beyond the current data-collection processes through XML-based integration.

C5.4.3. MDs may enter CCDR data through an Excel interface and view, print, and save CCDR reports. The reports may be saved in Excel format, or in Microsoft Access database. To create the EDI X12 reports, MDs must save the file in the Access database and execute the Pre-processor Translator. Alternatively, MDs, under older contracts, may generate an Access database and then run the Pre-processor Translator to generate the EDI X12 files. MD data files must match the fixed Access database structure for the Pre-processor Translator to create EDI X12 files.

## C5.5. SUBMITTING CCDRS

Once the electronic CCDRs are prepared, MDs must digitally sign and send them to the DACIMS through the Internet as encrypted e-mail attachments. (See paragraph C5.3.2.2 previously in this chapter for details.) Upon receipt, the DACIMS decrypts the file and verifies the authenticity of the sender by checking the digital signature. The DCARC notifies the MD via e-mail that the CCDR reports have been received. If the reports are in X12 format, the DACIMS generates, encrypts, and digitally signs a functional acknowledgment receipt (TS 997) and sends it back to the MD.

## C5.6. ACCEPTING CCDRS

C5.6.1. Once the submitted CCDR reports are received and accepted by the DCARC cost analysts, the DACIMS notifies the appropriate PM's representative and the cognizant CAIG analyst via e-mail that a CCDR has been received and must be checked by logging onto the DACIMS. The PM and CAIG analysts have 15 days in which to review, comment on, and approve or reject the reports. At the same time, the DACIMS also checks the file for business rule compliance.

C5.6.2. PMs are able to log into the DACIMS as soon as they receive and load the certificate into their browsers. If any new CCDRs exist, the system displays a message indicating that CCDRs are waiting to be reviewed. The CCDRs may be reviewed online or downloaded in Excel format and printed. PMs may make comments about, accept, or reject each CCDR online. For CCDRs that are rejected, the DCARC forwards a problem report to the MD for re-submission by e-mail or in the form of an EDI X12 Transaction Set 864.

C5.6.3. Once the PM and CAIG analyst accept the reports (or 15 days pass), the CCDRs are loaded into the DACIMS database for authorized users to view and download through Internet access.

### C5.7. VIEWING AND DOWNLOADING CCDRS

DACIMS collects and provides CCDR, CAIG, Cost Growth, and Cost Research Bibliography Libraries to the DoD cost analysis and estimating community. Government analysts use the data to estimate costs of ongoing and future government programs. The data is also used for pricing, negating contracts, and tracking actual versus negotiated costs. The cost data comes from completed contracts or completed portions of ongoing contracts. To gain access to the various DACIMS databases, user security permissions must be established. Security permissions are used to limit user access to only those links required by the mission.



AP1. APPENDIX 1  
DD FORMS AND DATA ITEM DESCRIPTIONS

This appendix contains reproductions of DD Form 1921, “Cost Data Summary Report” (Figure AP1.F9), and DD Form 1921-1, “Functional Cost-Hour and Progress Curve Report” (Figure AP1.F10), each followed by its related Data Item Description (DID). DI-FNCL-81565A is the DID for DD Form 1921, and DI-FNCL-81566A is the DID for DD Form 1921-1. Copies of current versions of the two report formats (DD Form 1921 and 1921-1) are available at the DCARC web site (<http://dcarc.pae.osd.mil>) and the DoD Forms program web site (<http://web1.whs.osd.mil/icdhome/DD1500-.htm>).

The appendix also contains a reproduction of the Contract Work Breakdown Structure (CWBS) DID, DI-MGT-81334, including an example of a CWBS index and dictionary.

SECURITY CLASSIFICATION _____										Form Approved OMB No. 0704-0188	
<b>COST DATA SUMMARY REPORT</b>				3. TYPE ACTION <input type="checkbox"/> CONTRACT NO: _____ <input type="checkbox"/> LATEST AMENDMENT: _____			4. APPROPRIATION <input type="checkbox"/> RDT&E <input type="checkbox"/> PROCUREMENT		5. REPORT AS OF (MM/DD/YY)		
1a. PROGRAM: _____		2. DOLLARS IN _____		<input type="checkbox"/> RFP NO: _____ <input type="checkbox"/> PROGRAM ESTIMATE _____			6. MULTI-YEAR CONTRACT <input type="checkbox"/> YES <input type="checkbox"/> NO		7. FY FUNDED:		
1b. APPROVED PLAN NUMBER: _____		8. CONTRACT TYPE		9. CONTRACT PRICE ESTIMATE		10. CONTRACT CEILING		11. _____ (Name and Address, Include ZIP Code) <input type="checkbox"/> PRIME/ASSOCIATE <input type="checkbox"/> SUBCONTRACTOR			
12. NAME OF CUSTOMER: (Subcontractor Use Only)											
CONTRACT LINE ITEM A	REPORTING ELEMENTS B	WBS ELEMENT CODE C	NUMBER OF UNITS D	TO DATE			NUMBER OF UNITS H	AT COMPLETION			
				COSTS INCURRED				COSTS INCURRED			
				NONRECURRING E	RECURRING F	TOTAL G		NONRECURRING I	RECURRING J	TOTAL K	
13. REMARKS:											
14a. NAME (Last, First, Middle Initial)			14b. DEPARTMENT				14c. TELEPHONE NO. (Include Area Code)				
14d. E-MAIL ADDRESS			14e. FAX NO. (Include Area Code)			14f. SIGNATURE			14g. DATE SIGNED (MM/DD/YY)		
<b>DD FORM 1921, MAR 2003</b> <small>Public reporting burden for this collection of information is estimated to average 33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, D.C. 20503.</small>											
SECURITY CLASSIFICATION _____											

Figure C5.F9. DD Form 1921, "Cost Data Summary Report"

## DATA ITEM DESCRIPTION

**Title:** Cost Data Summary Report (DD Form 1921)

**Number:** DI-FNCL-81565A

**Approval Date:** Draft

**AMSC Number:** D7333

**Limitation:**

**DTIC Applicable:**

**GIDEP Applicable:**

**Preparing Activity:** (D) OSD/PA&E/CAIG

**Applicable Forms:** DD Form 1921 (OMB Control No. 0704-0188); 33 hours

**Use/Relationship:** The Cost Data Summary Report will be used to obtain essential cost data from contractors for the purpose of establishing a cost database. Prime contractors and integrating contractors for teaming arrangements are responsible for flowing down CCDR requirements contained in their prime contracts to all subcontractors and team contractors who meet the reporting thresholds. All contractors will submit reports electronically to the Defense Cost and Resource Center (DCARC). The CCDR database will be used to (1) prepare program cost estimates for major systems reviewed by the Defense Acquisition Board (DAB) and other Component review programs, (2) develop independent government contract estimates in support of cost and price analyses, and (3) develop estimates to support Analysis of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts.

Information to be acquired through these data will include actual and estimated incurred costs at completion with the number of units being procured by Work Breakdown Structure (WBS). Reporting typically includes level 3 of the contract and subcontract WBS. Costs include both direct and overhead for each WBS element and are subdivided into recurring and nonrecurring costs. General and Administrative (G&A), undistributed budget, management reserve, facilities cost of money, and profit or fee are shown separately at the bottom of the report and are not included in the individual WBS element costs.

The 1921 reporting requirement is mandatory on Acquisition Category (ACAT) ID and IC program contracts or subcontracts valued over \$50 million (in FY 2002 dollars). Contracts priced between \$7 million and \$50 million (in FY 2002 dollars) are subject to CCDR reporting requirements when the Cost Working-Level Integrated Product Team (CWIPT) determines, and the CAIG agrees that they are high-risk or high-technical-interest items. Contracts priced below \$7 million (in FY 2002 dollars) are not subject to CCDR reporting. This provision applies to all ACAT I, II, and III programs with CCDR requirements. Reporting frequency is tied to program estimating needs as determined by the program manager and the CWIPT for ACAT I programs and the program manager and the responsible Component reviewing authority for ACAT II and III programs.

This DID summarizes the format and content preparation instructions to support the specific data and frequency requirements specified in the contract. This report is one of two CCDR formats and is related to the other report, the Functional Cost-Hour and Progress Curve Report, DD Form 1921-1 (DI-FNCL-81566A). Both reports are available for inclusion on

any given contract that meets the criteria specified above and any other conditions specified for a particular report.

This DID replaces DI-FNCL-81565.

**Requirements:**

1. *Reference documents.* Mandatory CCDD requirements are contained in DoDD 5000.4.
2. *Format.* The report will be completed using DD Form 1921 and the detailed instructions in section 3 below. All CCDD reports for new or modified ACAT program I contracts, awarded after October 1, 2003, must be submitted electronically using the standard Microsoft Excel template, XML, or the CCDD Pre-processor tool available at the DCARC web site (<http://dcarc.pae.osd.mil>). Reports must be submitted as secure email attachments, using a certificate issued by the DCARC for encryption and digital signature.

**Preparation Instructions:**

1. *Item 1a. Program.* Enter the approved system designator or the type, model, and series of the prime end item(s) being purchased under contract or being proposed for contract. If the contract or proposal includes services (research, flight tests, etc.), provide details of the work to be performed. For associate contractors and subcontractors required to report separately, enter the end item being purchased on the contract and the program for which it is being procured (e.g., afterbody section of the F-X, wind tunnel tests for the B-X, launch equipment for missile X).
2. *Item 1b. Approved Plan Number.* Enter the number of the approved contract plan that authorized the collection of data for this report.
3. *Item 2. Dollars In.* Report all cost data in thousands of dollars rounded to the nearest tenth, unless otherwise specified in the RFP or contract.
4. *Item 3. Type Action. Contract Number or RFP Number.* Check the box that most accurately describes the data being reported. If reporting on a contract estimate, enter the assigned contract number as well as the number of the latest contract amendment. If the data are in response to an RFP, enter the RFP number.
5. *Item 4. Appropriation.* Check the appropriate box to indicate the type of appropriation, RDT&E or Procurement, used to fund the contract. If funding other than RDT&E and Procurement is used, do not check a box but note the specific type of funds in the "Remarks" section (Item 13).
6. *Item 5. Report As Of.* Enter the appropriate numbers for the month, last day, and year of the reporting period, e.g., December 31, 2002 would be shown as 12/31/02.
7. *Item 6. Multi-Year Contract.* If the contract is funded from a single fiscal year, check "No" and enter the specific fiscal year funding the contract in the "Remarks" section (Item 13). However, if the report pertains to an incrementally funded Research and Development (R&D) contract, check "Yes" and enter all the fiscal years covered by the contract in the "Remarks" section. In some cases, contractors may be operating under a multi-year contract that provides for annual increments of the quantities procured under the contract. This type of contract is an example of Multi-Year Procurement (MYP),



identified by the following characteristics: the government negotiates the contract for the quantities to be procured in more than 1 year; contract quantities are budgeted and financed in accordance with the program year for which each quantity is authorized; and funds are obligated only for the first year's quantity, with succeeding year's contract quantities funded annually thereafter. In the event funds are not made available to support one or more succeeding year's quantities, the contract shall be canceled. However, contractors are protected from loss by the terms of the contract cancellation-ceiling clause. For MYP contracts described above, check "Yes" and enter each fiscal year of funding covered by the report. You may be required to submit a separate report by type of funds and fiscal year on designated reporting elements.

8. Item 7. FY Funded. Enter the fiscal year for which data are being reported. If the contract being reported contains more than one fiscal year, show the first year in Item 7 and the remaining years in the "Remarks" section (Item 13). If the data being reported are for program estimates, select from among the following options of years to be covered: prior fiscal years, fiscal year – 2, fiscal year – 1, current fiscal year, fiscal year + 1, fiscal year + 2, fiscal year + 3, fiscal year + 4, fiscal year + 5, fiscal year + 6, balance to complete, and total program. Always include prior fiscal year, balance to complete, and total program values in contractor program estimates.
9. Item 8. Contract Type. Enter the type of contract for which data are being reported. The contract types included in the Federal Acquisition Regulation (FAR) are listed in the table below. Follow the instructions that correspond with contractual submission requirements.

EDI Code by FAR Contract Type

FAR Contract Types	EDI Code
Cost Reimbursement Contracts	
Cost Sharing (CS)	CH
Cost Plus Award Fee (CPAF)	CW
Cost Plus Fixed Fee (CPFF)	CX
Cost Plus Incentive Fee (CPIF)	CY
Cost Plus Incentive Fee (With Performance Incentives)	CA
Cost Plus Incentive Fee, Award Fee (CPIF/AF) <sup>a</sup>	CY
Fixed Price Contracts	
Firm Fixed Price (FFP)	FR
Fixed Price Incentive Fee (FPIF)	FI
Fixed Price Incentive Successive (Targets) (FPIS)	FI
Fixed Price Incentive Successive Target (With Performance Incentive)	FF
Fixed Price Incentive Firm Target (With Performance Incentive)	FB
Fixed Price with Award Fee (FP/AF)	FH
Fixed Price with Economic Price Adjustment (FP/EPA)	FX
Fixed Price with Prospective Price Redetermination (FP/PRD)	FD
Fixed Ceiling Price with Retroactive Price Redetermination (FCP/RPR)	FM
Firm Fixed Price, Level of Effort Term (FFP/LOET)	FJ
Letter Contracts (LC)	OC

<sup>a</sup> This type of contract exists but is not included in the FAR.

Each type of contract has been assigned an associated EDI contract code. Find the EDI code for the contract type for which you are reporting and enter it in the space provided.

If the contract type is not in the table, enter the EDI contract code “OC” in the space provided. In addition, enter the name of the contract type in the “Remarks” section (Item 13) followed by the EDI code “OC”.

If the contract type selected is CPIF, CPIF/AF, FPIF, or FPIS, include a reference to the complete name of the contract type in the “Remarks” section (Item 13).

10. Item 9. Contract Price Estimate. Enter the total contract price value. If the contract is FFP, FP/EPA, FP/PRD, or FCP/RPR, enter the total negotiated cost and profit for work to be performed. For all incentive and cost contracts, enter the negotiated target costs, profit or fee, and cost incentive arrangements (i.e., 70-30, 60-40) where applicable. Enter all incentive sharing arrangements using the “Remarks” section (Item 13) as necessary.
11. Item 10. Contract Ceiling. Enter the current amount of the contract ceiling, if applicable.
12. Item 11. Prime/Associate or Subcontractor. Check “Prime/Associate” if you are the prime or associate contractor for the work. If you are a subcontractor, check “Subcontractor”. Enter the name, division (if applicable), and address of the reporting prime contractor, associate contractor, or subcontractor in the space provided.
13. Item 12. Name of Customer (Subcontractor Use Only). If a subcontractor is submitting the report, enter the name of the customer for whom the work on contract is being performed. Also enter the number of the prime contractor’s contract with the government customer. If a prime or associate contractor is submitting the report, leave this item blank.
14. Column A. Contract Line Item. In the space provided, enter the contract line item number that relates to the individual reporting element in Column B.
15. Column B. Reporting Elements. Enter the WBS reporting elements specified in the contract or by the DoD Component for which cost data are to be reported. These reporting elements must match those listed in the approved CCDR Plan. The CWIPT shall incorporate all proposed reporting element changes in a revised CCDR Plan for review and approval by the CAIG Chair before changing the contract or other reporting direction. Nevertheless, if there have been changes to the list of reporting elements that are not reflected in the contract or approved CCDR Plan, note these discrepancies in the “Remarks” section (Item 13).
16. Column C. Element Code. Enter the WBS element code for the reporting element being reported in Column B in accordance with the approved CCDR Plan. Typically, this code is used to identify the WBS structure and related indenture.
17. Columns D and H. Number of Units. Enter the total number of equivalent units actually completed during the reporting period in Column D. Equivalent units represent the total of completed units plus work completed on partially completed units translated into an equivalent number of totally completed units. Note the methodology used to determine equivalent units in the “Remarks” section (Item 13). Separately identify the number of fully completed units. Enter the number of units to be procured under this contract for each reporting element in Column H. For research and development contracts, enter two quantity amounts for any reported WBS element that includes items to be procured or produced. The first entry is the quantity to be procured and delivered to the government. The second quantity represents the number of units the contractor will use internally.

during contract performance e.g., testing. For example, in an interim CCDR report, assume the actual quantities (equivalent units) produced to date were 5.4 and the number of internal units produced to date was 2.3. In this case, enter 5.4/2.3 in the number of units or quantity field to date for the specific WBS element. Further assume that at completion of the contract 12 units were to be delivered and 4 systems would be used internally. Then, enter 12/4 in the number of units or quantity field at completion for that same WBS element.

18. Columns E, F, G, I, J and K. Costs Incurred To Date and At Completion—Nonrecurring, Recurring and Total. Enter actual incurred costs and estimated incurred costs at completion by segregating costs into the following three categories: nonrecurring costs, recurring costs, and total cost.

The table below summarizes the reporting requirements of prime contractors for both their data and related subcontract data. Subcontractor data refers to all contractors below the prime (regardless of specific tier) that meet CCDR reporting thresholds. Typically subcontractors will report directly to DoD/DCARC. However, on an exception basis, subcontractors can report through the prime. In these cases, the prime contractors must report both recurring and nonrecurring costs of subcontractors from whom they receive data. For subcontractors who instead report their recurring/nonrecurring split directly to DoD/DCARC, prime contractors need only show total costs. For subcontractors with no CCDR reporting requirements (referred to as nonreporting subcontractors), prime contractors with CCDR reporting requirements must provide an estimated split between recurring and nonrecurring costs.

Summary of Reported DD Form 1921 Data

DD Form 1921—Data Provided by Prime Contractors	Recurring Costs	Nonrecurring Costs	Total Costs
Prime contractor data	◆	◆	◆
Subcontractor data			
Subcontractors reporting to prime contractor	◆	◆	◆
Subcontractors reporting to DoD	❖	❖	◆
Nonreporting subcontractors	□	□	◆

◆ Available to and reported by prime contractor.

❖ Not reported by prime contractor (data available to DoD analysts only).

□ Estimated and reported by prime contractor.

The guidelines in this subparagraph apply to the reporting elements in Column B. For elements reported by subcontractors that do not have CCDR contractual requirements, include all estimated costs except G&A. For elements that are reported to the prime separately, enter the incurred costs and estimates at completion as reported by the subcontractor. For elements that are separately reported to the Department of Defense, use price data from subcontractor billings and other relevant cost data for incurred costs to date (Column G) and the estimated price at completion for estimated incurred costs (Column K).

Report all costs without regard to ceilings established for incentive contracts or the price on firm fixed price contracts. When the total anticipated recurring or nonrecurring costs on a contract is estimated to be 95 percent or more of the total cost at contract

completion, report all cost data for each reporting element as either recurring or nonrecurring in Columns E or F and I or J, as appropriate. In these cases, the total contract split determines the breakout for each individual reporting element regardless of the actual recurring/nonrecurring split attributed to each element. Also, leave Columns E, F, and G (costs incurred to date) blank if no costs have actually been incurred.

All reported data must reflect the reporting contractor's best estimate for performing currently authorized work plus any additional directed work for which execution or negotiation of amendments is pending. This includes work not formally included in the contract price. These estimates shall be used for planning purposes only and shall not be binding on either the contractor or DoD.

19. Summary Entries. Make each of the summary entries described in the following subparagraphs on a separate line, below the last reporting element in Column B.
- a. Subcontractor G&A. Enter in Columns G and K the cumulative G&A costs to date and estimated cost at completion for each of the subcontractors who report data to you. Then submit the subcontractor's report to the government along with your own report. For subcontractors reporting directly to the government, no entry is required since such costs are included in the data reported under each reporting element. These values cover all work performed by the subcontractor and do not relate to any specific reporting element.
  - b. Undistributed Budget. Enter the appropriate undistributed budget amounts in Columns G and K.
  - c. Management Reserve. Enter the appropriate management reserve amounts in Columns G and K.
  - d. Facilities Capital Cost of Money. Enter the appropriate facilities capital cost of money in Columns G and K.
  - e. Subcontractor Profit or Fee. Enter in Columns G and K the profit or fee at completion for each of the subcontractors who provide you data. Then submit the subcontractor's report to the government with your own. For subcontractors reporting directly to the government, no entry is required since such costs are included in the summary entries of the subcontractor's report to Department of Defense. These values must cover all work performed by the subcontractor and not relate to any specific reporting element.
  - f. Total Cost (Less Reporting Contractor's G&A and Profit or Fee). Enter the total cost less G&A costs and profit or fee in Column K.
  - g. Reporting Contractor's G&A. Enter G&A costs incurred to date and at completion in Columns G and K.
  - h. Undistributed Budget. Enter the appropriate undistributed budget amounts in Columns G and K.
  - i. Management Reserve. Enter the appropriate management reserve amounts in Columns G and K.

- j. Facilities Capital Cost of Money. Enter the appropriate facilities capital cost of money in Columns G and K.
  - k. Reporting Contractor's Profit or Fee. Enter in Columns G and K the total of all profit or fee in accordance with the terms of the contract (e.g., incentive formula).
  - l. Total. In Columns G and K, enter the sum of the following line entries: Total Cost (less the reporting contractor's G&A and profit or fee), Reporting Contractor's G&A, Other Reporting Contractor Miscellaneous Items, and Reporting Contractor's Profit or Fee.
20. Page \_\_\_\_\_ of \_\_\_\_\_. At the bottom of each page, enter the page number and total number of pages of the Cost Data Summary Report being submitted.
21. Item 13. Remarks. Note any relevant information that could be used in the interpretation of the data provided via this report.
22. Items 14a through g. Point of Contact Information. Enter the following information for the point of contact: name, department, telephone number (including area code), e-mail address, fax number, and (if not submitting electronically) signature and date signed.

**Definitions:**

- 1. Costs Incurred. Costs incurred represent costs identified through the use of the accrual method of accounting and reporting or otherwise actually paid. Such costs include the cost of direct labor, direct materials, and direct services identified with and necessary for the performance of a contract, as well as all properly allocated and allowable indirect costs shown in the contractor's books.
- 2. Recurring and Nonrecurring Costs. Subparagraphs c and d below describe rules of thumb for distinguishing between recurring and nonrecurring costs. While these rules are useful for establishing general boundaries, time reported on recurring and nonrecurring tasks should be reported as work is performed. For example technical management tasks should be reported as recurring and nonrecurring to reflect the work actually being done rather than the general practice of aggregating and reporting the work as nonrecurring. Also, test activities that will routinely continue into production should be recorded as recurring.
- 3. Recurring Costs. Recurring costs are repetitive elements of development and investment costs that may vary with the quantity being produced during any program phase. For example, during the development phase repetitive production-like costs incurred when producing prototype and test units are considered recurring costs. Recurring costs include the following: engineering, required for redesign, modifications, reliability, maintainability, and associated evaluation and liaison; complete reporting elements produced either for test or for operational use; tool maintenance, modification, rework, and replacement; training all Service personnel to operate and maintain equipment; and reproduction and updating of technical data and manuals.
- 4. Nonrecurring Costs. Nonrecurring costs are those elements of development and investment costs that generally occur only once in the life cycle of a system. Such costs are often found in engineering, system test, tooling, and pre-production activities, and also include basic design and development through first release of engineering drawings

and data, all system and subsystem test activities (except end item acceptance testing), configuration audits, qualification testing, technical publications through initial release, basic tool and production planning through initial release, all basic tooling, engineering models, partially built units for development or test purposes only, units not built to operational or tactical configuration, and specialized work force training.

5. General and Administrative (G&A). G&A consists of indirect expenses related to the overall management and administration of the contractor's business unit, including a company's general and executive offices, the cost of staff services such as legal, accounting, public relations, financial and similar expenses, and other general expenses. G&A is also considered a generic term used to describe expenses whose beneficial or causal relationship to cost objectives that cannot be more accurately assigned to overhead areas for engineering, manufacturing, material, and so on.
6. Undistributed Budget. Undistributed budget is that portion of the budget applicable to program effort that has not yet been allocated to control account budgets or to management reserve.
7. Management Reserve. Management reserve is the amount of the total allocated budget that is held back for management control and risk purposes at the total contract level rather than designated for the accomplishment of specific tasks.
8. Facilities Cost of Money. Facilities cost of money is an imputed cost determined by applying a cost-of-money rate to facilities capital employed in contract performance. Capital employed is determined without regard to whether its source is equity or borrowed capital. The resulting cost of money is not a form of interest on borrowing.
9. Profit or Fee. Profit is the excess of revenues over expenses in fixed-price contracts. In special cost-reimbursement pricing arrangements, fee is a form of profit representing an agreed-to amount beyond the initial estimate of costs that reflects a variety of factors, including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed-fee arrangement, or may vary (within a contractually specified minimum-maximum range) during performance, as in a cost-plus-incentive-fee arrangement.

END OF DI-FNCL-81565A

<b>SECURITY CLASSIFICATION</b>					
<b>FUNCTIONAL COST-HOUR AND PROGRESS CURVE REPORT</b>					Form Approved OMB No. 0704-0188
The public reporting burden for this collection of information is estimated to average 45 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions reducing the burden to Department of Defense, Washington Headquarters Service, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. PLEASE DO NOT RETURN YOUR FORM TO THIS ADDRESS					
1a. PROGRAM		1b. APPROVED PLAN NUMBER		2. REPORT AS OF (MM/DD/YY)	
3. FY FUNDED		4. <input type="checkbox"/> PRIME/ASSOCIATE <input type="checkbox"/> SUBCONTRACTOR <input type="checkbox"/> SUBCONTRACT (Estimate by Reporting Contractor)		5. DOLLARS IN	
(Name & Address; include ZIP Code):		6. HOURS IN			
7a. CUSTOMER (Subcontractors use only)		7b. SUBCONTRACTOR (Estimated by Reporting Contractor)		8. SUBCONTRACT NO.	
9. SUBCONTRACTOR REPORTING REQUIREMENT <input type="checkbox"/> YES <input type="checkbox"/> NO NUMBER OF REPORTING SUBCONTRACTORS [ ]		10. TYPE ACTION <input type="checkbox"/> CONTRACT NO. [ ] LATEST AMENDMENT [ ] <input type="checkbox"/> RFP NO. [ ] <input type="checkbox"/> PROGRAM ESTIMATE			
11. MULTI-YEAR CONTRACT <input type="checkbox"/> YES <input type="checkbox"/> NO		<b>PART I. FUNCTIONAL COST-HOUR REPORT</b>			
12. WBS ELEMENT CODE		14. COST TYPE <input type="checkbox"/> RECURRING <input type="checkbox"/> NONRECURRING <input type="checkbox"/> TOTAL		15. QUANTITY TO DATE [ ] AT COMPLETION [ ]	
13. REPORTING ELEMENT		16. APPROPRIATION <input type="checkbox"/> RDT&E <input type="checkbox"/> PROCUREMENT			
<b>DATA ELEMENTS</b>		<b>REPORTING CONTRACTOR</b>		<b>SUBCONTRACT OR OUTSIDE PRODUCTION AND SERVICES</b>	
		<b>TOTAL</b>			
		TO DATE A	AT COMPLETION B	TO DATE C	AT COMPLETION D
		TO DATE E	AT COMPLETION F		
<b>ENGINEERING</b>					
1. DIRECT LABOR HOURS					
2. DIRECT LABOR DOLLARS					
3. OVERHEAD					
4. MATERIAL					
5. OTHER DIRECT CHARGES (Specify)					
6. TOTAL ENGINEERING DOLLARS					
<b>TOOLING</b>					
7. DIRECT LABOR HOURS					
8. DIRECT LABOR DOLLARS					
9. OVERHEAD					
10. MATERIAL AND PURCHASED TOOLS					
11. OTHER DIRECT CHARGES (Specify)					
12. TOTAL TOOLING DOLLARS					
<b>QUALITY CONTROL</b>					
13. DIRECT LABOR HOURS					
14. DIRECT LABOR DOLLARS					
15. OVERHEAD					
16. OTHER DIRECT CHARGES (Specify)					
17. TOTAL QUALITY CONTROL DOLLARS					
<b>MANUFACTURING</b>					
18. DIRECT LABOR HOURS					
19. DIRECT LABOR DOLLARS					
20. OVERHEAD					
21. MATERIALS AND PURCHASED PARTS					
22. OTHER DIRECT CHARGES (Specify)					
23. TOTAL MANUFACTURING DOLLARS					
<b>OTHER COSTS</b>					
24. PURCHASED EQUIPMENT					
25. MATERIAL OVERHEAD					
26. OTHER COSTS NOT SHOWN ELSEWHERE (Specify)					
<b>FUNCTIONAL COST-HOUR SUMMARY</b>					
27. TOTAL COST LESS G&A					
28. G&A (Total contract only)					
29. TOTAL COST PLUS G&A					
30. PROFIT/FEE					
31. TOTAL PRICE (Including G&A and Profit/Fee)					
32. REMARKS					
33a. NAME (Last, First, Middle Initial)		33b. DEPARTMENT		33c. TELEPHONE NO. (Include Area Code)	
33d. E-MAIL ADDRESS		33e. FAX NO. (Include Area Code)		33f. SIGNATURE	
				33g. DATE SIGNED (MM/DD/YY)	
DD FORM 1921-1, (FRONT), MAR 2003					
SECURITY CLASSIFICATION					

**Figure AP1.F10. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," Page 1**

SECURITY CLASSIFICATION _____						
<b>FUNCTIONAL COST-HOUR AND PROGRESS CURVE REPORT</b>						
<b>PART II. PROGRESS CURVE REPORT - SECTION I</b>						
1. WBS ELEMENT CODE	3. UNITS/LOTS COMPLETED (Specify)			<input type="checkbox"/> UNIT TOTAL OR		<input type="checkbox"/> LOT TOTAL OR
2. REPORTING ELEMENT	<input type="checkbox"/> UNIT AVERAGE			<input type="checkbox"/> LOT AVERAGE		<input type="checkbox"/> LOT AVERAGE
<b>PART II. PROGRESS CURVE REPORT - SECTION II</b>						
	COMPLETED UNITS/LOTS A				WORK-IN- PROCESS (WIP) B	TO COMPLETE C
<b>DATA ELEMENTS</b>	1	2	3	4		
1. MODEL AND SERIES						
2. FIRST UNIT OF LOT/WIP UNITS						
3. LAST UNIT OF LOT						
4. CONCURRENT UNITS/LOTS						
<b>CHARACTERISTICS</b>						
5.						
6.						
7.						
<b>PRIME CONTRACTOR</b>						
8. DIRECT QUALITY CONTROL LABOR HOURS						
9. DIRECT MANUFACTURING LABOR HOURS						
10. TOTAL LABOR HOURS						
11. DIRECT QUALITY CONTROL LABOR DOLLARS						
12. DIRECT MANUFACTURING LABOR DOLLARS						
13. TOTAL LABOR DOLLARS						
14. RAW MATERIALS AND PURCHASED PARTS DOLLARS						
15. PURCHASED EQUIPMENT DOLLARS						
16. TOTAL DOLLARS						
<b>SUBCONTRACT/OUTSIDE PRODUCTS AND SERVICES</b>						
17. DIRECT QUALITY CONTROL LABOR HOURS						
18. DIRECT MANUFACTURING LABOR HOURS						
19. TOTAL LABOR HOURS						
20. DIRECT QUALITY CONTROL LABOR DOLLARS						
21. DIRECT MANUFACTURING LABOR DOLLARS						
22. TOTAL LABOR DOLLARS						
23. RAW MATERIALS AND PURCHASED PARTS DOLLARS						
24. PURCHASED EQUIPMENT DOLLARS						
25. TOTAL DOLLARS						
<b>TOTAL PER UNIT/LOT</b>						
26. DIRECT QUALITY CONTROL LABOR HOURS						
27. DIRECT MANUFACTURING LABOR HOURS						
28. TOTAL LABOR HOURS						
29. DIRECT QUALITY CONTROL LABOR DOLLARS						
30. DIRECT MANUFACTURING LABOR DOLLARS						
31. TOTAL DIRECT LABOR DOLLARS						
32. RAW MATERIALS AND PURCHASED PARTS DOLLARS						
33. PURCHASED EQUIPMENT DOLLARS						
34. TOTAL DOLLARS						
35. % SUBCONTRACT OR OUTSIDE PRODUCTION AND SERVICES						
36. REMARKS						
37a. NAME (Last, First, Middle Initial)		37b. DEPARTMENT		37c. TELEPHONE NO. (Include Area Code)		
37d. E-MAIL ADDRESS		37e. FAX NO. (Include Area Code)		37f. SIGNATURE		37g. DATE SIGNED (MM/DD/YY)
DD FORM 1921-1, (BACK), MAR 2003						
SECURITY CLASSIFICATION _____						

**Figure AP1.F10. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," Page 2**



## DATA ITEM DESCRIPTION

**Title:** Functional Cost-Hour and Progress Curve Report (DD Form 1921-1)

**Number:** DI-FNCL-81566A

**Approval Date:** Draft

**AMSC Number:** D7333

**Limitation:**

**DTIC Applicable:**

**GIDEP Applicable:**

**Preparing Activity:** (D) OSD/PA&E/CAIG

**Applicable Forms:** DD Form 1921-1 (OMB Control No. 0704-0188); 45 hours

**Use/Relationship:** The Functional Cost-Hour and Progress Curve Report will be used to obtain essential cost data from contractors for the purpose of establishing a cost database. Prime contractors and integrating contractors for teaming arrangements are responsible for flowing down CCDR requirements contained in their prime contracts to all subcontractors and team contractors who meet the reporting thresholds. All contractors will submit reports electronically to the Defense Cost and Resource Center (DCARC). The CCDR database will be used to (1) prepare program cost estimates for major systems reviewed by the Defense Acquisition Board (DAB) and other Component reviewed programs, (2) develop independent government contract estimates in support of cost and price analyses, and (3) develop estimates to support Analysis of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts. This report consists of two major parts: Part I, Functional Cost-Hour Data and Part II, Progress Curve Data. Information to be acquired through these data will include actual and estimated incurred costs at completion for each selected Work Breakdown Structure (WBS) element.

Part I, Functional Cost-Hour Data, displays actual costs by functional category (i.e., Engineering, Manufacturing, Quality Control, Tooling, and Other); each functional area is broken out by direct labor hours and cost category (e.g., Direct Labor, Material, Other Direct Costs, and Overhead). General and Administrative (G&A) expenses and profit or fee are reported separately at the bottom of the report. Part I data is further subdivided into recurring and nonrecurring costs. Part I data will also be prepared for the total contract and for selected WBS elements as identified by the program manager and the Cost Working-Level Integrated Product Team (CWIPT) process. The elements selected for reporting should be high-cost, high-risk, or high-technological-interest items.

Part II, Progress Curve Data, shows actual and estimated “to complete” recurring costs by unit or lot for selected reporting elements. Part II data are required only on high-risk or high-quantity programs from research and development through the completion of low-rate initial production (LRIP) and the initial full rate production rate. This determination is made by the CWIPT for approval by the Cost Analysis Improvement Group (CAIG) Chair. For cost-estimating purposes, the CWIPT is responsible for defining units and lots for its particular programs and contracts. Lot definition for reporting purposes should be agreed upon by the contractor and the DoD customer before reporting begins. Part II data also includes direct labor hours and costs for Quality Control and Manufacturing. Within these categories, costs are further subdivided by major cost category to include Manufacturing, Quality Control,

Purchased Equipment, and Material and Purchased Parts. These report data are primarily used to develop progress or learning curves.

The 1921-1 reporting requirement is mandatory on Acquisition Category (ACAT) ID and IC program contracts or subcontracts valued over \$50 million (in FY 2002 dollars). Contracts priced between \$7 million and \$50 million (in FY 2002 dollars) are subject to CCDDR reporting requirements when the CWIPT determines, and the CAIG agrees that they are high-risk or high-technical-interest items. Contracts priced below \$7 million (in FY 2002 dollars) are not subject to CCDDR reporting. The 1921-1 requirement is limited to selected high-cost, high-risk, or high-technological-interest reporting elements on both contracts and subcontracts. Reporting frequency is tied to program estimating needs as determined by the program manager and the CWIPT for ACAT ID and IC programs and the program manager and the responsible Component reviewing authority for ACAT II and III programs.

This DID summarizes the format and content preparation instructions to support the specific data and frequency requirements specified in the contract. This report is one of two Contractor Cost Data Reporting (CCDDR) formats and is related to the other report, the Cost Data Summary Report, DD Form 1921 (DI-FNCL-81565). Both reports are available for inclusion on any given contract that meets the criteria specified above and any other conditions specified for a particular report.

This DID replaces DI-FNCL-81566 and DI-FNCL-81567A.

#### **Requirements:**

1. *Reference documents.* Mandatory CCDDR requirements are contained in *DoDD 5000.4*.
2. *Format.* The report will be completed using DD Form 1921-1 and the detailed instructions in section 3 below. All CCDDR reports for new or modified ACAT program I contracts, awarded after October 1, 2003, must be submitted electronically using the standard Microsoft Excel template, XML, or the CCDDR Pre-processor tool available at the DCARC web site (<http://dcarc.pae.osd.mil>). Reports must be submitted as secure email attachments, using a certificate issued by the DCARC for encryption and digital signature.

#### **Preparation Instructions:**

1. *General Instructions.* The following instructions apply for entering all the data items contained in DD Form 1921-1. Unless otherwise specified, meta data items apply to both Part I and Part II reporting requirements.
  - a. Item 1a. Program. Enter the approved system designator or the type, model, and series of the primary end item(s) being purchased under contract or being proposed for contract. If the contract or proposal includes services (research, flight tests, etc.), provide details of the work to be performed. Associate contractors and subcontractors required to report separately must enter the end item being purchased on the contract and the program for which it is being procured (e.g., afterbody section of the F-X, wind tunnel tests for the B-X, launch equipment for missile X).
  - b. Item 1b. Approved Plan Number. Enter the number of the approved contract plan that authorized the collection of data for this report.

- c. Item 2. Report As Of. Enter the appropriate numbers for the month, last day, and year of the reporting period, e.g., December 31, 2002 would be shown as 12/31/02.
- d. Item 3. FY Funded. Enter the fiscal year for which data are being reported. If the contract data being reported relate to more than one fiscal year, show the most current fiscal year in Item 3 and the remaining years in the “Remarks” section (Item 32). If the data being reported are program estimates, select from the following options of years to be covered: prior fiscal years, fiscal year – 2, fiscal year – 1, current fiscal year, fiscal year + 1, fiscal year + 2, fiscal year + 3, fiscal year + 4, fiscal year + 5, fiscal year + 6, balance to complete, or total program. Always include values for prior fiscal year, balance to complete, and total program in contractor program estimates.
- e. Item 4. Prime/Associate or Subcontractor and Subcontract. Check “Prime/Associate” if you are the prime or associate contractor for the work. If you are a subcontractor reporting to the DoD or to the prime contractor, check “Subcontractor.” Check “Subcontract” when the prime contractor is preparing subcontract estimates for nonreporting subcontractors. Enter the name, division (if applicable), and address of the reporting prime contractor, associate contractor, and subcontractor in the space provided.
- f. Item 5. Dollars In. Report all cost data in thousands of dollars rounded to the nearest tenth, unless otherwise specified in the RFP or contract.
- g. Item 6. Hours In. Report all labor-hour data in thousands rounded to the nearest tenth, unless otherwise specified in the RFP or contract. Where contractor data-gathering systems do not supply the data rounded as specified, complete the reporting requirements in the manner in which the data are generated and make a note in the “Remarks” section (Item 32).
- h. Items 7a. Customer. Item 7a is applicable only if you are a subcontractor submitting the report. If you are a prime or associate contractor, leave this item blank. Otherwise, enter the name of the customer (prime contractor) for whom the work on contract is being performed. Also enter the number of the prime contractor’s contract with the government customer.
- i. Items 7b. Subcontractor. If the prime contractor is estimating the subcontractor’s cost, enter in item 7b the name and address of the subcontractor. Otherwise, leave this item blank.
- j. Item 8. Subcontract No. If you are the prime contractor, enter the subcontract number you have for each subcontract that has CCDR reporting requirements.
- k. Item 9. Subcontractor Reporting Requirement. Check “Yes” if there are any subcontractors that have CCDR requirements and enter the number of subcontractors reporting. Check “No” if there are only prime/associate contractors with CCDR requirements.
- l. Item 10. Type Action. If you are reporting on a contract estimate, check “Contract No.” and enter the assigned contract number as well as the number of the latest contract amendment. If you are reporting data in response to an RFP, check “RFP No.” and enter the RFP number. To enter a program estimate, check “Program Estimate” and enter the estimate in the space provided.

- m. Item 11. Multi-Year Contract. If the contract is funded from a single fiscal year, check “No” and enter the specific fiscal year funding for the contract in the “Remarks” section. However, if the report pertains to an incrementally funded research and development contract, check “Yes” and enter all the fiscal years covered by the contract in the “Remarks” section (Item 32). In some cases, contractors may be operating under a multi-year contract that provides for annual increments of the quantities procured under the contract. This type of contract is an example of multi-year procurement (MYP). For MYP contracts, check “Yes” and enter the fiscal year of funding covered by the report. If contractually required, a separate report by type of funds and fiscal year on designated reporting elements may be required. MYP contracts are identified by the following characteristics: the government negotiates the contract for the quantities to be procured in more than one year; contract quantities are budgeted and funded in accordance with the program year for which each quantity is authorized; funds are obligated only for the first year’s quantity, with succeeding year’s contract quantities funded annually thereafter. In the event funds are not made available to support one or more succeeding year’s quantities, the contract shall be canceled. However, contractors are protected from loss by the terms of the contract cancellation-ceiling clause.
  - n. Item 12. WBS Element Code. Enter the numeric/alpha code assigned to the WBS element being reported on.
  - o. Item 13. Reporting Element. Enter the WBS reporting element specified in the contract or by the DoD Component for which cost data are to be reported. These reporting elements must match those listed in the approved CCDR Plan or provide a mapping scheme that tracks the approved WBS to the newly proposed WBS. The CWIPT shall incorporate all proposed reporting element changes in a revised CCDR Plan for review and approval by the CAIG Chair before changing the contract or other reporting direction. Nevertheless, if there have been changes to the list of reporting elements that are not reflected in the contract or approved CCDR Plan, note these discrepancies in the “Remarks” section (Item 32).
2. *Part I, Functional Cost-Hour Report Instructions:* Complete items in Part I using data extracted from accounting records for the designated cost elements and functional categories (Engineering, Tooling, Quality Control, Manufacturing and Other) as defined at the end of this DID. If your accounting system aggregates incurred costs in a manner that does not coincide with those definitions, estimate the costs required for CCDR reporting and describe the estimation method in the “Remarks” section (Item 32). For example, if overtime and shift premiums for direct labor are charged to overhead, show these costs in Item 32 by functional category. Report fringe benefits charged as direct rather than to an overhead account separately and show them in Item 32. For specific instructions on reporting subcontractor and outside production and services, see the instructions in subparagraph f. below.
- a. Item 14. Cost Type. Check the appropriate box to indicate whether the data reported in Part I is for nonrecurring, recurring, or total effort. Nonrecurring costs are those elements of development and investment costs that generally occur only once in the life cycle of a system. Recurring costs are repetitive elements of development and investment costs that may vary with the quantity being produced. Total cost (cost

incurred) is the sum of nonrecurring and recurring cost incurred. For more comprehensive definitions of these terms, refer to the definitions beginning in Section 7 of this document and in the CCDR Manual. The following guidelines apply to the total contract and to each WBS element selected for reporting as noted in the CCDR Plan.

If either nonrecurring or recurring cost is projected to be more than 5 percent but less than 95 percent of the estimated incurred costs at completion; separate reports for nonrecurring and recurring cost are needed. A third report for total costs for that reporting element is also required. However, if either recurring cost or nonrecurring cost represents 95 percent or more of the costs for each element selected for reporting, mark the “Total” box as well as the “Recurring” or “Nonrecurring” box. The table below shows these reporting requirements for prime contractors.

Application of the reporting requirements in the table may result in different recurring/nonrecurring splits for the total contract and for individual elements selected for reporting. For example, if 96 percent of the total contract is recurring, all costs for total contract reporting would be shown as recurring. However, if an individual WBS element selected for reporting on that same contract is 80 percent recurring and 20 percent nonrecurring, two reports would be required to reflect the split and a third report would also be required for total costs.

### Reporting Recurring and Nonrecurring Costs on DD Form 1921-1

If the split is:	The prime submits:	And marks:
95% or more Recurring 5% or less Nonrecurring	One report—show total costs	“Recurring” in Item 14 and notes in Item 32, Remarks, that data reflect total costs
50% Recurring 50% Nonrecurring	Two reports—one for recurring and one for nonrecurring	“Recurring” or “Nonrecurring” in Item 14 as appropriate
5% or less Recurring 95% or more Nonrecurring	One report—show total costs	“Nonrecurring” in Item 14 and notes in Item 32, Remarks, that data reflect total costs

Note: Contractors may report the recurring and nonrecurring breakout regardless of the percentage split.

- b. Item 15. Quantity. Enter for this contract the quantity of equivalent units completed to date and the total number of completed units at contract completion. Equivalent units represent work on fully completed units plus work on partially completed units translated into an equivalent number of totally completed units. Note the methodology used to determine equivalent units in the “Remarks” section (Item 32). For research and development contracts, enter two quantity amounts for any reported WBS element that includes items to be procured or produced. The first entry is the quantity to be procured and delivered to the government. The second quantity represents the number of units the contractor will use internally during contract performance e.g., testing. For example, in an interim CCDR report, assume the actual quantities (equivalent units) produced to date were 5.4 and the number of internal units produced to date was 2.3. In this case, enter 5.4/2.3 in the number of units or

quantity field to date for the specific WBS element. Further assume that at completion of the contract 12 units were to be delivered and 4 systems would be used internally. Then, enter 12/4 in the number of units or quantity field at completion for that same WBS element. Reported quantities must be consistent with the quantities reported in the DD Form 1921.

- c. Item 16. Appropriation. Check the appropriate box to indicate the type of appropriation, Research, Development, Test and Evaluation (RDT&E) or Procurement, used to fund the contract. If funding other than RDT&E and Procurement is used, do not check a box but note the specific type of funds in the “Remarks” section (Item 32).
- d. Line 1. Direct Labor Hours (Engineering). Enter direct labor hours related to the Engineering functional category for the reporting element.
- e. Line 2. Direct Labor Dollars (Engineering). Enter direct labor dollars related to the Engineering functional category for the reporting element.
- f. Line 3. Overhead (Engineering). Enter overhead costs related to the Engineering functional category for the reporting element.
- g. Line 4. Material (Engineering). Enter material costs for the reporting element.
- h. Line 5. Other Direct Charges (Engineering). Enter other direct charges related to the Engineering functional category for the reporting element.
- i. Line 6. Total Dollars (Engineering). Enter the sum of Lines 2 through 5.
- j. Line 7. Direct Labor Hours (Tooling). Enter direct labor hours related to the Tooling functional category for the reporting element.
- k. Line 8. Direct Labor Dollars (Tooling). Enter direct labor dollars related to the Tooling functional category for the reporting element.
- l. Line 9. Overhead (Tooling). Enter overhead costs related to the Tooling functional category for the reporting element.
- m. Line 10. Materials and Purchased Tools (Tooling). Enter materials and purchased tools costs related to the Tooling functional category for the reporting element.
- n. Line 11. Other Direct Charges (Tooling). Enter other direct charges related to the Tooling functional category for the reporting element.
- o. Line 12. Dollars (Tooling). Enter the sum of Lines 8 through 11.
- p. Line 13. Direct Labor Hours (Quality Control). Enter direct labor hours related to the Quality Control functional category for the reporting element.
- q. Line 14. Direct Labor Dollars (Quality Control). Enter direct labor dollars related to the Quality Control functional category for the reporting element.
- r. Line 15. Overhead (Quality Control). Enter overhead costs related to the Quality Control functional category for the reporting element.
- s. Line 16. Other Direct Charges (Quality Control). Enter other direct charges related to the Quality Control functional category for the reporting element.

- t. Line 17. Total Dollars (Quality Control). Enter the sum of Lines 14 through 16.
- u. Line 18. Direct Labor Hours (Manufacturing). Enter direct labor hours related to the Manufacturing functional category for the reporting element.
- v. Line 19. Direct Labor Dollars (Manufacturing). Enter direct labor dollars related to the Manufacturing functional category for the reporting element.
- w. Line 20. Overhead (Manufacturing). Enter overhead costs related to the Manufacturing functional category for the reporting element.
- x. Line 21. Material and Purchased Parts (Manufacturing). Enter material and purchased parts costs related to the Manufacturing functional category for the reporting element.
- y. Line 22. Other Direct Charges (Manufacturing). Enter other direct charges related to the Manufacturing functional category for the reporting element.
- z. Line 23. Total Dollars (Manufacturing). Enter the sum of Lines 19 through 22.
- ss. Line 24. Purchased Equipment. Enter purchased equipment costs not assigned to the functional categories (Engineering, Manufacturing, Quality Control, and Tooling).
- bb. Line 25. Material Overhead. Enter overhead costs attributable to procured or subcontracted products, including the costs of purchasing, expediting, and storing materials, parts, equipment, and assemblies.
- cc. Line 26. Other Costs Not Shown Elsewhere. Enter all direct costs for the reporting element not assigned to the functional categories (Engineering, Manufacturing, Quality Control, and Tooling). Include undistributed budget, management reserve, and facilities capital cost of money, as appropriate. Provide details for all of these costs in the “Remarks” section (Item 32). For all items not segregated by WBS, also enter this element on the total program report.
- dd. Line 27. Total Cost Less G&A. Enter the total of all direct and overhead costs for the Functional Cost-Hour elements.
- ee. Line 28. G&A. Enter total contract G&A costs when reporting for the total contract; otherwise, leave this item blank.
- ff. Line 29. Total Cost Plus G&A. When reporting on the total contract, enter the total of Lines 27 and 28. Otherwise, leave this item blank.
- gg. Line 30. Profit/Fee. When reporting on the total contract, enter the amount of profit or fee. Otherwise, leave this item blank.
- hh. Line 31. Total Price. Enter the total of all costs, both direct and indirect, plus G&A and profit or fee, for the total contract.
- ii. Line 32. Remarks. Note any relevant information that could be used in the interpretation of the data provided via this report.
- jj. Line 33. Point of Contact Information. Items a through g. Enter the following information for the point of contact: name, department, telephone number (including area code), e-mail address, fax number, and (if not submitting electronically) signature and date signed.

**kk. Reporting Contractor - Columns A and B. To Date and At Completion**

Recurring/Nonrecurring. The reporting contractor can be the prime, associate, subcontractor, or lower tier subcontractor who is responsible for preparing and submitting the report. Enter the recurring and nonrecurring costs and hours that have been incurred to date for the reporting contractor. The estimated costs at completion of the contract shall be based on the planned or expected costs to be incurred regardless of contract price, ceiling, or funds available.

**ll. Subcontract or Outside Production and Services - Columns C and D To Date and At Completion Recurring/Nonrecurring.** Enter the estimated total recurring and nonrecurring costs and hours that may be incurred at completion. The estimated costs at completion of the contract shall be based on the planned or expected costs to be incurred regardless of contract price, ceiling, or funds available.

The table below illustrates reporting requirements for subcontractor and outside production and services in Part I of DD Form 1921-1. The total of the individual categories to date and at completion must agree with the estimated cumulative price to date and the total contract price at completion.

**Reporting Requirements in Part I of DD Form 1921-1**

Line #	Data	Prime Contractor Data	Subcontractor Data		
			Subcontractors Reporting to the DoD	Nonreporting Subcontractors	Nonreporting Subcontractors (Airframe)
1-5	Engineering Line Items	◆	<input type="checkbox"/>		◆
6	Engineering Total	◆	<input type="checkbox"/>	◆	◆
7-11	Tooling Line Items	◆	<input type="checkbox"/>		◆
12	Tooling Total	◆	<input type="checkbox"/>	◆	◆
13-16	Quality Control Line Items	◆	<input type="checkbox"/>		◆
17	Quality Control Total	◆	<input type="checkbox"/>	◆	◆
18-22	Manufacturing Line Items	◆	<input type="checkbox"/>		◆
23	Manufacturing Total	◆	<input type="checkbox"/>	◆	◆
24-26	Other Costs	◆	<input type="checkbox"/>		◆
27	Total Cost Less G&A	◆	<input type="checkbox"/>		◆
28	G&A*	◆	<input type="checkbox"/>		
29	Total Cost Plus G&A*	◆	<input type="checkbox"/>	◆	◆
30	Profit/Fee*	◆			
31	Total Price*	◆	◆**	◆	◆

◆ Actual data included in report.

◆\*\* Actual data included in "Remarks" section of report (Item 57).

◆ Estimated data included in report.

☐ Data available to DoD analysts only.

\* Report data for total contract only.

Outside Production and Services is a special category of costs on subcontracts for the Airframe reporting element. Prime contractors shall fill out the appropriate data items for subcontractors not reporting separately. Estimate each line item. Distribute all subcontracts for Airframe by function in Outside Production and Services, either among all categories or as purchased equipment.

The following additional guidelines apply for the Airframe reporting element within ACAT I, II, and III program contracts. All subcontractors for items or services



normally produced or performed in airframe plants are to be distributed as appropriate among all functional categories of cost. Include as purchased equipment all subcontracts for items defined as purchased equipment for reporting element Airframe as shown in Section 5 below. Final entries shall be the subcontractor's G&A and profit or fee.

mm. Total – Columns E and F To Date and At Completion

Recurring/Nonrecurring. Enter the total of Columns A and C (To Date) in Column E and the total of Columns B and D (At Completion) in Column F.

3. *Special Instructions for the Airframe Reporting Element.* The purpose of these special instructions is to achieve comparability of airframe costs, both aircraft and missiles, among contractors who prepare DD form 1921-1, "Functional Cost-Hour and Progress Curve Report." These instructions apply to all ACAT programs that report airframe costs. The Airframe reporting element is used to describe the collection of certain structural assemblies, equipment, and functional costs as defined in MIL-HDBK-881 and expanded below. For cost consistency purposes, airframe costs are divided into Airframe Manufactured Equipment and Airframe Purchased Equipment. The primary distinction in these categories is based upon where the airframe components are typically made. Those portions normally fabricated and assembled by airframe plants are considered Airframe Manufactured Equipment and those components normally procured from non-airframe plants are identified as Airframe Purchased Equipment. A detailed description of each is given below.

- a. Airframe Manufactured Equipment. Report labor (Engineering, Tooling, Quality Control, Manufacturing), tools, test equipment, raw materials, and purchased parts required to design, fabricate, and assemble the airframe plus the installation and checkout of all the air vehicle equipment. This category also includes installation parts, wiring, tubing, etc., for installing all equipment (known as Group A equipment), all actuating hydraulic cylinders, primary landing gear components such as struts, trinnons, shock absorbers, axles and launch bars (brakes, wheels, tires, hydraulic lines, and actuators should be included in Purchased Equipment), radomes, canopies, ducts, seats (except ejection mechanism) for passenger and crew, food preparation equipment such as galleys, stoves, refrigeration units, and fixed external tanks.

Report all Airframe Manufactured Equipment items on DD Form 1921-1 using the functional categories of Engineering, Tooling, Manufacturing (includes Raw Materials and Purchased Parts), and Quality Control for Part I, Functional Cost-Hour Data. These same items are reported using the functional categories of Quality Control and Manufacturing for Part II, Progress Curve Data, within either the contractor data or subcontract sections. If any major portion of what is defined as Airframe Manufactured Equipment is subcontracted, report it under the subcontractor column at the same level of indenture as the prime manufacturer costs and hours.

While make-or-buy decisions often change throughout the performance of a contract, always use the appropriate functional categories to show components identified as Airframe Manufactured Equipment, whether the contractor makes or buys the items.

- b. Purchased Equipment. Purchased Equipment consists of components normally procured from nonairframe plants to include landing gear (includes wheels brakes, tires, floats, skids, and skis), environmental control equipment, air conditioning equipment, multipurpose hydraulic and pneumatic pumps, power conversion equipment, instrumentation/ navigation equipment, fire detection/extinguishing equipment, flight control instrumentation, heat exchangers, electrical actuators, compressors, pressure control equipment and pressure storage vessels, and multipurpose power supplies, guns/gun turrets, starters, propellers, cameras, and trapped fuel.

While make-or-buy decisions often change throughout the performance of a contract, always show components identified as Airframe Purchased Equipment under either the contractor data or subcontract/outside production services sections whether the particular contractor makes or buys the items.

Report the price paid to vendors for purchased equipment. If the prime contractor makes the equipment in house, the cost should still be reported in the Purchased Equipment category.

- c. Relationship of Airframe and Selected WBS Elements. The following paragraphs clarify the cost relationships between the airframe and the Systems Test and Evaluation, Systems Engineering, and Data WBS elements.
- d. Systems Test and Evaluation. Report all tests for the airframe or interfaces between the airframe and installed mission-oriented equipment as airframe recurring costs if the tests will continue in production. All development tests performed by the airframe manufacturer for the airframe and its interfaces with the avionics equipment should fall within the specific test program called out under Systems Test and Evaluation (e.g., static, fatigue, flight tests, etc.) or Other Systems Test and Evaluation. Include instrumentation for the engineering and manufacturing development test program in Flight Test under System Test and Evaluation.
- e. Systems Engineering. Systems Engineering should be limited to engineering for the interfaces of the total weapon system with the external environment (e.g., support equipment, test facilities, etc.). Include engineering of all internal interfaces such as avionics to airframe, engines to airframe in Airframe as nonrecurring. Also include all tradeoffs, design, and so on, for the air vehicle in Airframe as nonrecurring.
- f. Data. Include in the Data category only costs that will not be incurred if the data are eliminated from DD Form 1423, "Contract Data Requirements List."

#### 4. *Part II, Progress Curve Report – Section I*

- a. Line 1. WBS Element Code. Enter the numeric/alpha code assigned to the WBS element being reported on.
- b. Line 2. Reporting Element. Enter the WBS reporting element specified in the contract or by the DoD Component for which cost data are to be reported. These reporting elements must match those listed in the approved CCDR Plan. The CWIPT shall incorporate all proposed reporting element changes in a revised CCDR Plan for review and approval by the CAIG Chair before changing the contract or other reporting direction. Nevertheless, if there have been changes to the list of reporting

elements that are not reflected in the contract or approved CCDR Plan, note these discrepancies in the “Remarks” section (Item 32).

- c. Line 3. Units/Lots Completed. Check the appropriate box to indicate whether the hour and cost data entered on this report are for unit or lot totals or unit or lot averages.

5. *Part II, Progress Curve Report – Section II.*

- a. Columns A1 through A4. Completed Units/Lots. Report appropriate data for each unit or lot completed even if the DoD contracting component has not yet accepted the item(s). Include all completed units whether designated as test, operational, or spare. Do not report on items such as mock-ups, which represent only partially completed units, and spare parts. If needed, additional columns may be added sequentially (i.e., A5, A6, etc.).
- b. Column B. Work-in-Process (WIP). Enter incurred cost and hour data for all units started but not yet completed during the reporting period.
- c. Column C. To Complete. Enter estimates for recurring cost and hour data to complete the work-in-process. For lot data, show the costs and hours estimated to complete the entire lot even if all the units were not started and reported in Column B.
- d. Data Elements.

- (1) Line 1. Model and Series. Enter the basic model and series designation in Columns A through C for each test unit, operational unit, or lot being reported. A basic model includes all units whose weight, dimensions, performance characteristics, and manufacturing process are so similar that the DoD considers them to be identical. If a lot includes more than one series of a model, note the number and series designation of each in the “Remarks” section (Item 36).

- (2) Lines 2 through 4. First Unit of Lot/WIP Units, Last Unit of Lot, and Concurrent Units/Lots. Enter the cumulative number of units completed at the beginning of the reporting period and the number of units completed at the end of the reporting period in Block 2A and 3A, respectively. Unless otherwise specified, cumulative units are to be total units of a given model the reporting contractor has accepted since the inception of a program/model, regardless of the number of contracts under which the model has been procured. Enter data for units or lots that are in process during the period in Column B and those to be started later in Column C.

Concurrent units or lots are items being produced within a given lot or in another lot in the same FY buy, respectively, that do not apply to the contract being reported. Included in this category are items for commercial delivery or delivery to other DoD Components or programs (e.g., Military Assistance Program) on separate contracts. For Block 4A, enter the number of concurrent units in each lot that applies to that FY buy. In a production situation when the relevant costs cannot be isolated, use the unit average costs for all units in the lot, regardless of whether they are delivered under the contract being reported or are concurrent units.

When reporting on a unit, enter the cumulative number of each unit completed during the period in Item 2. Unless otherwise specified, cumulative units are to be total units of a given model the reporting contractor has completed since the inception of a program/model, regardless of the number of contracts under which the model has been procured.

Where unit- or lot-accounting systems are not available, equivalent units may be used as the basis for reporting in Item 2. This method may be followed if, in the judgment of the procuring contracting officer, workstation standards are of such quality that standard equivalent units may be reasonably accurate and provide a consistent measure of acceptable work. If you use this equivalent units method, lots shall include the standard equivalent units of production for time periods no greater than one month. Include explanations in the “Remarks” section (Item 36).

- e. Characteristics. Lines 5 through 7. The contractor reports the specific characteristics (e.g., weight, range, and speed) based on the approved CCDR Plan. The CWIPT is responsible for identifying the characteristics proposed for reporting in the CCDR Plan that is forwarded to the CAIG for approval. Airframe weight is a mandatory requirement for aircraft contracts. In columns A, B, and C, enter the unit or average lot characteristics for units produced under the contract. Distinguish “make weight” between prime contractors and subcontractors, if applicable. If additional space is required, use the “Remarks” section (Item 36). The following paragraphs explain airframe weight, which is reported on line 5 of DD Form 1921-1.
- (1) Airframe (including Rotorcraft). The structure and equipment that comprise the airframe (including rotorcraft) for cost purposes from Military Standard (MIL-STD) 1374A, “Weight and Balance Data Reporting Forms for Aircraft (including Rotorcraft),” June 1974, available at <http://astimage.daps.dla.mil/online/new>, the Acquisition Streamlining and Standardized Information System (ASSIST), Web site. These reporting forms identify the primary items of an aircraft or rotorcraft and are a convenient way to report airframe costs.
  - (2) Airframe Unit Weight. Airframe unit weight (AUW), as shown in the Defense Contractors’ Planning Reports and Aeronautical Manufacturers’ Reports, was developed to isolate the portion of the empty weight normally produced in an aircraft manufacturer’s facility. In order to use aircraft weight statements in conjunction with CCDRs, the portions of cost not associated with the AUW must be discretely identifiable. This information can be used to develop meaningful cost and weight relationships only when the equipment included in the AUW is directly related to the airframe manufacturer’s cost.

AUW is the empty weight minus the weight of specific items not included in AUW, regardless of their method of acquisition. Empty weight is the combined weight of the airframe’s manufactured structure, purchased equipment, propulsion, and avionics.

For airplanes, empty weight is configured in the airplane detail specification and tabulated in MIL-STD 1374A. The following table shows the items not included

in AUW (items 6 through 15 and 17 through 21) for airplanes. If more than one configuration exists (as may occur in cargo/personnel transports due to cargo configuration versus personnel seat arrangements), two different empty weights may result. In that case, you may need to furnish data for both configurations.

### Items in Airplane Empty Weight and AUW

	Item	Empty Weight	Airframe Unit Weight
1	Fuselage	X	X
2	Wing	X	X
3	Empennage	X	X
4	Primary Landing Gear	X	X
5	Nacelle	X	X
6	Propellers	X	
7	Engines (Main & Auxiliary)	X	
8	Rubber or Nylon Fuel Cells	X	
9	Starters (Main & Auxiliary)	X	
10	Batteries & Electrical Power Supply	X	
11	Auxiliary Power Plant Unit	X	
12	Instruments	X	
13	Air Conditioning Unit	X	
14	Anti-Icing	X	
15	Avionics Hardware (Group B)	X	
16	Avionics Install (Group A)	X	X
17	Camera & Optical Viewfinders	X	
18	Turrets & Power Operated Mounts	X	
19	Wheels	X	
20	Brakes	X	
21	Tires & Tubes	X	

For missiles and space launch vehicles, empty weight is configured in the missile and space launch vehicles detail specification and tabulated in Military Standard (MIL-STD) 176A, "Weight and Balance Data Reporting Forms for Guided Missiles and Space Launch Vehicles," November 27, 1997, available from the Acquisition Streamlining and Standardized Information System (ASSIST) at <http://assist.daps.dla.mil/docimages/0000/90/61/176A-1.PD5>. The following table shows the items not included in AUW (items 4, 6 through 8, 10, and 12) for missiles and space launch vehicles.

### Items in Missiles and Launch Vehicles Empty Weight and AUW

	Item	Empty Weight	Airframe Unit Weight
1	Aerodynamic Surface	X	X
2	Body	X	X
3	Takeoff and Recovery	X	X
4	Propulsion	X	
5	Power Generator	X	X
6	Orientation	X	
7	Guidance	X	
8	Electronics	X	

9	Environmental Protection	X	X
10	Armament	X	
11	Separation System	X	X
12	Destruct System	X	
13	Emergency Equipment	X	X
14	Visual Identification	X	X

- f. Prime Contractor. Lines 8 through 16. Enter for each unit or lot the contractor's direct labor hours and dollars per unit (or average per lot) for Quality Control and Manufacturing Labor, Raw Materials and Purchased Parts, and Purchased Equipment as shown below. Complete the reporting requirements using data extracted from existing accounting records. If your records do not provide actual figures, give an estimate and indicate the basis for the estimate in the "Remarks" section (Item 36). Also, when reporting hours and costs incurred to date, leave fields blank if none have actually been incurred.
- (1) Line 8. Direct Quality Control Labor Hours. Enter direct labor hours related to the Quality Control functional category for each unit or lot.
  - (2) Line 9. Direct Manufacturing Labor Hours. Enter direct labor hours related to the Manufacturing functional category for each unit or lot.
  - (3) Line 10. Total Labor Hours. Enter the sum of lines 8 and 9.
  - (4) Line 11. Direct Quality Control Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Quality Control functional category.
  - (5) Line 12. Direct Manufacturing Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Manufacturing functional category.
  - (6) Line 13. Total Labor Dollars. Enter the sum of lines 11 and 12.
  - (7) Line 14. Material and Purchased Parts (Manufacturing). Enter material and purchased parts costs per unit (or average per lot) related to the Manufacturing functional category.
  - (8) Line 15. Purchased Equipment Dollars. Enter purchased equipment costs per unit (or average per lot).
  - (9) Line 16. Total Dollars. Enter the sum of Lines 13, 14, and 15.
- g. Subcontract/Outside Production and Services. Lines 17 through 25. The following table illustrates reporting requirements for subcontractor and Outside Production and Services in Part II of DD Form 1921-1. The total of the individual categories to date and at completion must agree with the estimated cumulative price to date and the total contract price at completion.

### Reporting Requirements in Part II of DD Form 1921-1

Line #	Data	Prime Contractor Data	Subcontractor Data	
			Subcontractors Reporting to the DoD	Nonreporting Subcontractors
11	QC Direct Labor Dollars	◆		
12	Manufacturing Direct Labor Dollars	◆		

14	Raw Material & Purchased Parts Dollars	◆		
15	Purchased Equipment Dollars	◆		
16	Contractor Totals	◆		
18	Direct Manufacturing Labor Hours		<input type="checkbox"/>	❖
20	QC Direct Labor Dollars		<input type="checkbox"/>	❖
21	Manufacturing Direct Labor Dollars		<input type="checkbox"/>	❖
23	Raw Material & Purchased Parts Dollars		<input type="checkbox"/>	❖
24	Purchased Equipment Dollars		<input type="checkbox"/>	❖
25	Subcontractor totals		◆*	◆

◆ Actual data included in report.

◆\*Actual data included in "Remarks" section of report (Item 57).

❖ Estimated data included in report.

☐ Data available to DoD analysts only.

Outside Production and Services is a special category of costs on subcontracts for the Airframe reporting element. Prime contractors shall fill out the appropriate data items for subcontractors not reporting separately. Estimate each line item. Distribute all subcontracts for Airframe by function in Outside Production and Services, either among all categories or as purchased equipment.

The following additional guidelines apply for the Airframe reporting element within ACAT I, II, and III program contracts. All subcontractors for items or services normally produced or performed in airframe plants are to be distributed as appropriate among all functional categories of cost. Include as purchases equipment all subcontracts for items defined as purchased equipment for reporting element Airframe.

- (1) Line 17. Direct Quality Control Labor Hours. Enter direct labor hours related to the Quality Control functional category for each unit or lot.
  - (2) Line 18. Direct Manufacturing Labor Hours. Enter direct labor hours related to the Manufacturing functional category for each unit or lot.
  - (3) Line 19. Total Labor Hours. Enter the sum of lines 17 and 18.
  - (4) Line 20. Direct Quality Control Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Quality Control functional category.
  - (5) Line 21. Direct Manufacturing Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Manufacturing functional category.
  - (6) Line 22. Total Labor Dollars. Enter the sum of lines 20 and 21.
  - (7) Line 23. Raw Materials and Purchased Parts Dollars. Enter material and purchased parts costs per unit (or average per lot) related to the Manufacturing functional
  - (8) Line 24. Purchased Equipment Dollars. Enter purchased equipment costs per unit (or average per lot).
  - (9) Line 25. Total Dollars. Enter the sum of Lines 22, 23, and 24.
- h. Total per Unit/Lot. Lines 26 through 35.
- (1) Line 26. Direct Quality Control labor Hours. Enter the sum of lines 8 and 17.

- (2) Line 27. Direct manufacturing Labor Hours. Enter the sum of lines 9 and 18.
  - (3) Line 28. Total Labor Hours. Enter the sum of lines 10 and 19.
  - (4) Line 29. Direct Quality Control Labor Dollars. Enter the sum of lines 11 and 20.
  - (5) Line 30. Direct Manufacturing Labor Dollars. Enter the sum of lines 12 and 21.
  - (6) Line 31. Total Direct Labor Dollars. Enter the sum of lines 13 and 22.
  - (7) Line 32. Raw materials and Purchased Parts Dollars. Enter the sum of lines 14 and 23.
  - (8) Line 33 Purchased Equipment Dollars. Enter the sum of lines 15 and 24.
  - (9) Line 34. Total Dollars. Enter the sum of lines 31, 32, and 33.
  - (10) Line 35. % Subcontract or Outside Production and Services. For subcontracted work, enter the percentage of subcontracted cost to total cost per unit, excluding the Airframe reporting element. For outside production and services involving the Airframe reporting element, enter the percentage of outside production and service hours to total hours per unit.
- h. Item 36. Remarks. Note any relevant information that could be used in the interpretation of the data provided via this report.
  - i. Items 37a through g. Point of Contact Information. Enter the following information for the point of contact: name, department, telephone number (including area code), e-mail address, fax number, and (if not submitting electronically) signature and date signed.

**Definitions – Functions:**

1. *Engineering.* The Engineering functional category includes the effort and costs expended in the scientific exploration, study, analysis, design, development, evaluation, and redesign of a specific task or WBS element. Engineering also includes preparation of specifications, drawings, parts lists, and wiring diagrams; technical coordination between engineering and manufacturing; coordination of suppliers; planning for and scheduling of tests; analysis of test results, reduction of data; and preparation of reports. It also includes the determination and specification of requirements for reliability, maintainability, and quality control. Engineering is generally considered to be a basic functional cost category. Engineering costs may also be subdivided into recurring and nonrecurring components. Nonrecurring engineering costs usually include the costs of all design and development activities through first release of drawings and data. However, this is just a general rule of thumb. Time spent on recurring and nonrecurring tasks (including technical management) should be accounted and reported as work is actually performed. Recurring engineering costs are generally related to sustaining engineering that involves the maintenance and updating of drawings and data and all continuous support of the fabrication, assembly, test, and delivery of contract end items.
2. *Manufacturing.* The Manufacturing functional category includes the effort and costs expended in the fabrication, assembly, and functional testing of a product or end item. It involves all the processes necessary to convert a raw material into finished items. Note



that test activities that routinely continue during production should be recorded as recurring.

3. *Quality Control.* The Quality Control functional category includes activities that check, physically inspect, measure, and test the product. Quality control efforts typically focus on manufacturing, shops, receiving and shipping, and records that are necessary to assure that hardware, end items, parts, components, processes, and tests are being fabricated, assembled, and tested in accordance with engineering drawings and specifications.
4. *Tooling.* The Tooling functional category includes original equipment and manufacturing aids a contractor acquires, manufactures, or replaces in the performance of a contract. Examples include jigs, dies, fixtures, molds, patterns, and special gauges. These tools, sometimes called special tools, are so specialized that their use is limited to the production of supplies or parts or the performance of services that are particular to the needs of the customer. In military business the “title” for tooling resides with the customer; in commercial practice the “title” resides with the contractor. Tooling costs may also be subdivided into recurring and nonrecurring components. Nonrecurring tooling costs consist of all design and development costs through initial release of basic tooling. Recurring tooling costs are generally related to sustaining tooling that involves the maintenance, repair, modification and replacement of basic tooling following initial release. Again these are general rules of thumb and time spent on recurring and nonrecurring tasks should be accounted and reported as work is actually performed.

#### **Performing Contractor:**

1. *Contractor.* The contractor is the party performing the task or service or providing the equipment, hardware, facility, or end item specified in a contract for delivery to a customer or buyer, generally the Department of Defense.
2. *Subcontract.* A subcontract is any agreement, purchase order, or instrument other than a prime contract calling for work or for the material required for the performance of one or more prime contracts. It usually covers procurement of major components or subsystems that require the subcontractor to do extensive design, development, engineering, and testing to meet a prime contractor’s procurement specifications. A company that has a subcontract without CCDR reporting requirements with a company whose prime contract contains CCDR reporting requirements is referred to as a nonreporting subcontractor.
3. *Outside Production and Services.* For the Airframe reporting element, Outside Production and Services is a special category of subcontracts the prime contractor must fill out for all subcontracts not reporting separately to Department of Defense. Distribute all subcontracts for Airframe by function as Outside Production and Services, either among all categories or as purchased equipment. The following guidelines apply (even when make-or-buy decisions change during contract execution): all subcontracts for items or services normally produced or performed in airframe plants must be distributed as appropriate among all functional categories of cost whether the particular contractor makes or buys the items; all subcontracts for items that fall within the definition of Purchased Equipment (described by the special instructions for reporting Airframe in Appendix 1) must be included as purchased equipment whether the particular contractors make or buy the items; final entries shall be subcontractor’s G&A and profit or fee.

## Cost Categories

1. *Direct Labor Hours (All Functions)*. Direct labor hours are those hours that can be specifically and consistently identified or assigned to a particular cost objective (e.g., a work order).
2. *Direct Labor Dollars (All Functions)*. Direct labor dollars are those dollars that can be specifically and consistently identified or assigned to a particular cost objective (e.g., work order).
3. *Overhead (All Functions)*. Overhead consists of all indirect costs, except General and Administrative expenses, that are properly chargeable for the specified reporting element.
4. *Material (Engineering)*. Material within the Engineering functional category represents the cost of raw materials and purchased parts (e.g., printed circuit boards) evaluated or consumed in the performance of the engineering function for the specified reporting element. Also included is engineering test equipment (i.e., oscilloscopes, transducers, recorders, radio transmitters, converters, discriminators, and receivers) and similar equipment required to accomplish the engineering function for the specified reporting element.
5. *Materials and Purchased Tools (Tooling)*. Materials and Purchased Tools within the Tooling functional category include the costs of the new (basic, processed, or semi-fabricated) material used in the manufacture of dies, jigs, fixtures, gauges, handling equipment, work platform, and test equipment for the fabrication and testing of the specific reporting element. It also includes the cost of tools the reporting contractor normally purchases that require negligible in-house effort to assemble into the final tool configuration. This type of tool includes such items as special welding heads, X-ray heads, attaching fixtures, control panels, and consoles.
6. *Other Direct Charges (Engineering)*. Other direct charges within the Engineering functional category include the costs for travel, per diem shift premiums, overtime premiums, automatic data processing, reproduction of printed material, and rental of special test facilities and equipment. It also includes other engineering items not allocated to the categories of Direct Labor, Overhead, and Material for the specific reporting element.
7. *Materials and Purchased Parts (Manufacturing)*. Materials and Purchased Parts within the Manufacturing functional category include the costs of raw and semi-fabricated material plus purchased parts used in the manufacture of the specified reporting element. The purchased parts are essentially off-the-shelf items that are widely used in industry and supplied by a specialized manufacturer who has the proprietary right to the product. The following are examples of materials and purchased parts: raw materials in typically purchased forms and shapes (sheets, bars, rods, etc.); semi-fabricated materials in typically purchased forms and shapes (wires, cables, fabrics, conduits, tubing, sealing strips, fiberglass, windshield glass, etc.); raw castings and forgings; manufactured proprietary clips, fasteners, hose clamps and assemblies, and seat belts; standard and proprietary valves, cocks, and hydraulic and plumbing fittings and fixtures; and standard electrical fittings (conforming to underwriters and other standard specifications). Purchased parts are distinguished from purchased equipment by cost and complexity.

8. *Other Direct Charges (Manufacturing)*. Other direct charges in the Manufacturing functional category include the costs for travel, per diem, fire and extended coverage insurance, shift premiums, overtime premiums, rental of special facilities and equipment, shipping and transportation charges for items sent or returned to subcontractors, and extraordinary expenses associated with operating off-site test bases. It also includes other manufacturing costs for the reporting element that are not allocated to the categories of Direct Labor, Overhead, and Materials and Purchased Parts.
9. *Other Direct Charges (Quality Control)*. Other direct charges in the Quality Control functional category include the costs for travel, per diem, shift premium, overtime premiums, automatic data processing, reproduction of printed material, and other quality control items for the reporting element not allocated to the categories of Direct Labor and Overhead. Material and test equipment shall not be included in this category. Instead, they shall be included as Materials and Purchased Parts.
10. *Other Direct Charges (Tooling)*. Other direct charges within the Tooling functional category include the costs for travel, per diem shift premium, overtime, premiums, rental of equipment, and other tooling items not allocated to the categories of Tooling, Direct Labor, Material, Overhead, or Purchased Tools for the reporting element.
11. *Purchased Equipment*. Manufactured and assembled items the contractor procures from outside sources that are required for installation in the reporting element. Such equipment normally costs over \$1,000 per unit and exhibits a wide range of complexity. Examples of purchased equipment for large weapon systems are multipurpose hydraulic and pneumatic pumps, motors, generators, air conditioning equipment, batteries, landing gear, instruments, pedestals, and so on. Where the reporting contractor specifically controls the design of such equipment for the unique requirements of the WBS element, purchased equipment is subcontracted and reported. Subcontracts for items falling within the definition of Purchased Equipment must be included as purchased equipment whether the particular contractor makes or buys the items.
12. *Material Overhead*. Material overhead includes the portion of indirect costs attributable to procured or subcontracted products. It includes the cost of purchasing, expediting, and storing materials, parts, equipment, and assemblies.
13. *Other Costs Not Shown Elsewhere*. Other costs are those direct costs for the reporting elements not applicable to the cost categories listed. These costs must be specifically identified in the “Remarks” section (Item 36).
14. *General and Administrative (G&A)*. G&A consists of indirect expenses related to the overall management and administration of the contractor's business unit, including a company's general and executive offices, the cost of staff services such as legal, accounting, public relations, financial and similar expenses, and other general expenses. G&A is also considered a generic term used to describe expenses whose beneficial or causal relationship to cost objectives that cannot be more accurately assigned to overhead areas for engineering, manufacturing, material, and so on.
15. *Profit or Fee*. Profit is the excess of revenues over expenses in fixed-price contracts. In special cost-reimbursement pricing arrangements, fee is a form of profit representing an agreed-to amount beyond the initial estimate of costs that reflects a variety of factors,

including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed-fee arrangement, or may vary (within a contractually specified minimum-maximum range) during performance, as in a cost-plus-incentive-fee arrangement.

END OF DI-FNCL-81566A

## DATA ITEM DESCRIPTION

**Title:** Contract Work Breakdown Structure

**Number:** DI-MGMT-81334

**Approval Date:** Draft (20020430)

**AMSC Number:** D6915

**Limitation:**

**DTIC Applicable:**

**GIDEP Applicable:**

**Office of Primary Responsibility:** (D) OSD/PA&E/CAIG

**Applicable Forms:** Not Applicable; 35 hours

**Use/relationship:** This documents the Contract Work Breakdown Structure (CWBS) and its extension by the contractor using terminology and definitions, as applicable, in MIL-HDBK-881. The complete Program Work Breakdown Structure (PWBS) will serve as a basis for program and technical planning, scheduling, cost estimating, resource allocations, performance management where appropriate, configuration management, and status reporting.

This DID contains the format and content preparation instructions for the WBS to be submitted by the contractor to support the specific data and frequency requirements specified in the contract. This DID is applicable to all contracts that require a WBS and is related to the two Contractor Cost Data Reporting (CCDR) formats: the Cost Data Summary Report, DD 1921 (DID DI-FNCL-81565) and the Functional Cost-Hour and Progress Curve Report, DD 1921-1 (DID DI-FNCL-81566). This DID can also be related to the formats contained in the Cost Performance Report, DD 2734/1, 2734/2, 2734/3, 2734/4, and 2734/5 (DI-MGMT-81466); the Cost/ Schedule Status Report, DD 2735 (DI-MGMT-81467); and the Contract Funds Status Report, DD 1586 (DI-MGMT-81468).

Routine reporting shall be at CWBS level 3 for prime contractors and key subcontractors. MIL-HDBK-881 serves as the basis for identifying the first three levels of the PWBS and for developing the CWBS. Extensions of the PWBS and CWBS can be tailored to the specific program but will be consistent with MIL-HDBK-881. Detailed (i.e., sub-level 3) reporting of the CWBS shall be required only for those lower-level elements that address high-risk, high-value, or high-technical-interest areas of a program. Identifying these additional elements is a critical early assignment for the Cost Working Level Integrated Product Team (CWIPT) for inclusion in the PWBS.

The reporting contractor shall prepare and submit the contract dictionary within 60 days of contract award. The reporting contractor shall maintain and update the WBS Dictionary throughout the life of the contract. The dictionary shall not be submitted more frequently than report submissions.

### Requirements:

1. *Reference documents.* Detailed instructions for preparing the CWBS can be found in MIL-HDBK-881. WBS guidance is also contained in Chapter 2 of the CCDDR Manual, DoD 5000.4-M-1.

2. *Formats.* The CWBS shall be reflected in an electronic report that consists of two parts as shown in the sample attachments. Part I is for the CWBS Index and Part II is for the CWBS Dictionary. The index lists the individual elements. The dictionary describes the effort and tasks associated with every CWBS element shown in Part I.

**Preparation Instructions:**

1. *Contract Work Breakdown Structure Index:*
  - a. CWBS Code. Enter the code, if applicable.
  - b. CWBS Element Level. Enter the level of the CWBS element. Level 1 is the total contract. Levels 2, 3, etc., are successively lower levels of the program.
  - c. CWBS Element Name. Enter the title of the CWBS element using the specific name or nomenclature.
  - d. Contract Line Item(s). Enter the numbers of the contract line items associated with the CWBS element, if applicable.
2. *Contract Work Breakdown Structure Dictionary:*
  - a. CWBS Code.
  - b. CWBS Element. Enter the title of each CWBS element in the same order as given in Part I.
  - c. CWBS Definition. Enter a complete description of the technical and cost content of each CWBS element. The statement should be as descriptive as possible about the efforts, tasks, tests, components, etc., that are to be included in the CWBS element by the contractor. The CWBS Dictionary must be updated and maintained throughout the life of the contract. However, the updated dictionary shall be submitted no more frequently than the CCDR report submissions.

DI-MGMT-81334

CONTRACT WORK BREAKDOWN STRUCTURE INDEX						PROGRAM: Missile X LRIP Surface-to-Air Interceptor	REP NO: <u>XXXXXX</u> CONTRACT NO: <u>XXXXXX-98-C-XXX</u>	CONTRACT PLAN NO: <u>XXXXXXXX</u>	DATE: 06/30/02
CWBS CODE	LEVEL					CWBS ELEMENT			CONTRACT LINE ITEM(S)
	1	2	3	4	5	NAME			
1.0	✓					Missile System			
1.1		✓				Air Vehicle			
1.1.1			✓			Propulsion			
1.1.2			✓			Airframe			
1.1.3			✓			Warhead			
1.1.4			✓			Post Boost System			
1.1.5			✓			Guidance And Control Equipment			
1.1.5.1				✓		Guidance Section			
1.1.5.1.1					✓	Seeker			
1.1.5.1.2					✓	Guidance Electronics			
1.1.5.2				✓		Control Devices			
1.1.5.3				✓		Structure			
1.1.5.4				✓		Power and Networks			
1.1.6			✓			Ordnance Initiation Set			
1.1.7			✓			Airborne Test Equipment			
1.1.8			✓			Airborne Training Equipment			
1.1.9			✓			Auxiliary Equipment			
1.1.10			✓			IAT&C			
1.2		✓				Integration, Assembly, Test, and Checkout			
1.3		✓				Systems Engineering/Program Management			
1.4		✓				Systems Test and Evaluation			

Figure AP1.F11. Contract Work Breakdown Structure Index

Contract Work Breakdown Structure—Data Item Description (DI-MGMT-81334)

DI-MGMT-81334

CONTRACT WORK BREAKDOWN STRUCTURE DICTIONARY		PROGRAM: Missile X LRIP Surface-to-Air Interceptor	RFP NO: _____ CONTRACT NO: XXXXX-98-C-XXXX	DATE: 11/1/00
CWBS CODE	CWBS ELEMENT	CWBS DEFINITION		
1.0	Missile System	The missile is a cylindrical body with four fixed fins attached to the aft end of the Solid Rocket Motor case. The control surfaces are located behind the fixed fins. The missile angular orientation is zero degrees at top center, with increasing angles positive in a clockwise direction (standing at the aft end looking forward). The outside surface of the missile body is coated for thermal protection of the structure from aerodynamic heating and rain erosion. Electrical interface between the launcher and the missile is provided by an umbilical cable connecting the missile Aft-Section to the Aft-Section of the Canister.		
1.1	Air Vehicle	This element refers to the means for delivering the destructive effect to the target, including the capability to generate or receive intelligence to navigate and penetrate to the target area and to detonate the warhead. This element includes the design, development, and production of complete units (prototype and operationally configured units, which satisfy the requirement of their applicable specifications(s)) regardless of their use.		
1.1.1	Propulsion	The propulsion system consists of the booster and the interstage. A single-stage, solid propellant rocket motor provides all of the boost impulse for the missile. The deployable flares and aft rate gyro package (RGP) are positioned at the aft end of the booster in the BUG configuration.		
1.1.2	Airframe	This element refers to the structural framework that provides the aerodynamic shape, mounting surfaces and environmental protection for the missile components. It includes the wings, fins, and structural body assemblies.		
1.1.3	Warhead	Warhead includes the assembly containing the kill mechanism of the round and its associated high explosives, chemicals, biological agents, nuclear devices, and pyrotechnics.		
1.1.4	Post Boost System	This element provides the roll rate control and the final velocity to adjust and deploy the payload as well as the external protection material, velocity control system, and deployment group.		
1.1.5	Guidance and Control Equipment	This element refers to the missile's ability to acquire and track targets, receive guidance data from various sensors and execute the necessary flight path to intercept the target.		
1.1.5.1	Guidance Section	This element refers to the missile's ability to receive guidance data from various sensors.		
1.1.5.1.1	Seeker	The seeker assembly is attached to the kill vehicle via the forward ring of the forecone. The assembly consists of four elements; a seeker basecone, an IR sensor, a gimbal set, and a Seeker Electronics Assembly (SEA). The seeker basecone is a conical assembly cast from magnesium. It is used as the main structure to mount the IR sensor and gimbals to the KV, and to dampen structural resonances.		
1.1.5.1.2	Guidance Electronics	This element includes all the electronic components and their structural items needed to perform all the seeker tracking functions.		
1.1.5.2	Control Devices	This element includes all the electronic components and support structure needed to perform the electronic processing done outside, but near the detector assembly. This may include detector biasing electronics, preamplification, gain control processing, A/D conversion and multiplexing of the detector outputs when many detector outputs are present.		
1.1.5.3	Structure	This element refers to the metal or composite materials that provide external housing, bulkheads, attach points and connectors for guidance and control equipment.		
1.1.5.4	Power and Networks	This element refers to the subsystem that starts the missile and maintains electrical power prior to launch, upon release from the launch platform, and during flight. Additionally, it consists of power supply devices and power converters.		
1.1.6	Ordnance Initiation Set	The ordnance initiation set initiates all ordnance events throughout the missile and ground system (except reentry system components). Upon receipt of an electrical signal from the missile guidance and control system, the ordnance initiation set firing units convert the signal into ordnance outputs to the detonating cords. Among these ordnance events are stage separation, motor ignition, gas generator ignition, shroud separation, etc. Includes through bulkhead initiators, ordnance test harnesses, and firing units/exploding bridge wires.		
1.1.7	Airborne Test Equipment	The airborne test equipment element refers to an exercise warhead that is interchangeable with the live warhead and suitable for developmental firing. This element includes destruct systems, recovery systems, special instrumentation, and telemetry equipment.		
1.1.8	Airborne Training Equipment	The airborne training equipment element refers to an exercise warhead that is interchangeable with the live warhead and suitable for training firing. This element includes destruct systems, recovery systems, special instrumentation, and telemetry equipment associated with the training mission.		
1.1.9	Auxiliary Equipment	The auxiliary equipment element refers to that additional equipment generally excluded from other specific elements. This element includes the environmental control, safety and protective subsystems, and destruct system. It also includes equipment of a single purpose and function that is necessary for accomplishing the assigned mission.		
1.1.10	Integration, Assembly, Test and Checkout	The IAT&CO of the hardware will be conducted at the contractor's assembly facility. Subsystem components will be assembled and tested, then shipped to company YYYY for final assembly and testing.		

Figure AP1.F12. Contract Work Breakdown Structure Dictionary, Page 1



DI-MGMT-81334

CONTRACT WORK BREAKDOWN STRUCTURE DICTIONARY		PROGRAM: Missile X LRIP Surface-to-Air Interceptor	RFP NO: _____ CONTRACT NO: <u>XXXXXX-98-C-XXXX</u>	DATE: 11/1/00
CWBS CODE	CWBS ELEMENT	CWBS DEFINITION		
1.2	Integration, Assembly, Test, and Checkout	<p>The IAT&amp;CO of the missile will be conducted at a Company YYYY assembly facility. For flight vehicles, the guidance and control unit is tested and installed, the units are fueled, and the ordinance is installed. The missile is then installed in the canister and shipped to the testing range.</p> <p>The system engineering and technical control as well as the business management of the project. System Engineering/Project Management effort that can be associated specifically with the hardware element is excluded, unless this management effort is of special contractual or engineering significance (e.g., associated contractor).</p> <p>Four prototypes of the missile will be tested at WWWWW testing range over a period of 3 months. The testing facility will evaluate both missile performance and accuracy, along with the launching platform capabilities.</p>		
1.3	Systems Engineering/Program Management			
1.4	Systems Test and Evaluation			

**Figure AP1.F12. Contract Work Breakdown Structure, Part 2: Dictionary, Page 2**